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MILITARY COMMITTEE AGAIN IN SESSION

PY200051Y Buenos Aires TELAM in Spanish 0035 GMT 20 Dec 78 PY

[Text] Buenos Aires, 19 Dec (TELAM)--The Military Committee has been meeting since 1900 in the Libertad Building, army headquarters, discussing the border conflict with Chile. The meeting is being attended by the regular members of the committee--President Jorge Rafael Videla and the commanders in chief of the three armed forces, Lt Gen Roberto E. Viola, Lt Gen Orlando Ramon Agosti and Adm Armando Lambroschini. Also attending are the chief of the joint chiefs of staff, Maj Gen Pablo Apella, and the secretary generals of the armed forces, Brig Gen Reynaldo Bignone, Vice Adm Eduardo Rene Fracassi and Maj Gen Basilio Lami Dozo.

PRESIDENT VIDELA WILL NOT VISIT SOUTHERN ZONE

PY200123Y Paris AFP in Spanish 2054 GMT 19 Dec 78 PY

[Text] Buenos Aires, 19 Dec (AFP)--Sources at government house said here today that Argentine President Jorge Rafael Videla has no plans to travel to the south of the country soon. It was learned, however, that the commander of the army, Lt Gen Roberto Viola, will go to a city in southern Argentina for Christmas. General Viola himself told the press today that traditionally the army commander celebrates these festivities with a group of soldiers in an area believed to be important to the country. Reports from Santiago had mentioned the possibility that Videla might travel south for Christmas, but this was denied.

ARMY COMMANDER COMMENTS ON NEGOTIATIONS WITH CHILE

PY192110Y Buenos Aires TELAM in Spanish 1636 GMT 19 Dec 78 PY

[Excerpts] Buenos Aires, 19 Dec--The commander in chief of the army, Lt Gen Roberto Viola, stated today that the status of the negotiations with Chile has not changed since the meeting of foreign ministers was suspended. General Viola spoke to journalists for half an hour to convey to them his year-end greetings.

He noted that the mission carried out by Brig Gen Basilio Lami Dozo in Santiago was designed to clarify the Argentine position, not to resume the negotiations. He added that Argentina has never sought to internationalize the conflict. He said: In no way do we want to propose a solution which would be unacceptable to Chile.

STRANDED CHILEANS CONVERGE ON CONSULATE IN MENDOZA

PY190245Y Buenos Aires TELAM in Spanish 0120 GMT 19 Dec 78 PY

[Excerpt] Mendoza, 18 Dec (TELAM)--Twenty-seven buses, several private automobiles and approximately 1,000 persons remain in front of the Chilean Consulate of this city, located on Emilio Cevit Avenue. They came from the border town of Las Cuevas where Chilean officials prevented them from crossing into Chile. These people have occupied almost the entire garden of the consulate, the adjacent sidewalks and part of the wide avenue.

After many contacts, an employee of the consulate appeared saying that the consul, Mario Darrigrandi Valdes, was not in the consulate, but reported that the [Las Cueval railway] tunnel is closed due to repairs. At this, the people, all of them Chilean, began shouting: "It is a lie, open the tunnel for us." The employee repeated the statement, and the people shouted: "What is a consulate for? We have no money; we will stay and sleep here."

PADILLA: BOLIVIA NEUTRAL IN BEAGLE CONFLICT

PY191241Y La Paz Radio Panamericana Network in Spanish 1130 GMT 19 Dec 78 PY

[Text] The nation's president, Gen David Padilla Arancibia, stated that the territorial dispute between Argentina and Chile over the islands in the Beagle Channel area in the South Atlantic will be observed by Bolivia with absolute neutrality. In the president's opinion, the present border situation between the two countries has been coming for months. In addition to this, commentaries, rumors and news reports warn of an armed conflict. The president later emphasized that Latin America should first try to solve its problems through dialog, and that the nations of the subcontinent cannot benefit from war.

ADRN ENDORSES PAZ-GUEVARA PRESIDENTIAL TICKET

PY191322Y La Paz Radio Panamericana Network in Spanish 1130 GMT 19 Dec 78 PY

[Excerpt] The Paz Estenssoro-Guevara presidential ticket will be supported by the Democratic Alliance of National Revolution [ADRN] during the elections called by the military junta for 1979. This statement was made by (Mario Calderon), a high-ranking leader of the Authentic Revolutionary Party [PRA], which is directed by Walter Guevara Arze.

(Calderon) stated that the PRA, which along with the Historical National Revolutionary Movement [MNRH] makes up the ADRN, favors the political negotiations now being carried out with the Revolutionary Front of the Left [FRI]. The FRI is made up of the following political groups: The Revolutionary Party of the Nationalist Left [PRIN], the Marxist-Leninist Communist Party of Bolivia [PCML] and the Bolivian Workers Revolutionary Party [PRTB].

CHRISTIAN DEMOCRATIC PARTY ELECTS NEW PRESIDENT

PY192224Y Paris AFP in Spanish 1554 GMT 19 Dec 78 PY

[Text] La Paz, 19 Dec (AFP)--It was reported here today that Luis Ossio has been elected new president of the Christian Democratic Party (PDC), replacing Benjamin Miguel. The election took place during a congress attended by 480 delegates from all over the country. The PCD reaffirmed its center-left position and expressed its support for the formation of a political alliance in the forthcoming new general elections called by the government of the military junta for 1 July 1979.

BRIEFS

MINING EXPORTS FOR 1978--From January to October of 1978, Bolivia exported more than $400 million worth of minerals, according to a report from the Mining and Metallurgy Ministry. Tin accounted for 61 percent of these exports. The nationalized mining industry contributed 37 percent of the total amount of mineral exports. The Bolivian Mining Corporation exported metals and minerals totaling $153 million. Medium and small size mining industry sectors exported goods totaling $57 million and $35 million, respectively. [La Paz Radio Panamericana Network in Spanish 1130 GMT 18 Dec 78 PY]

FOREIGN MINISTER CONFIRMS CLOSING OF BORDERS

PY192300Y Porto Alegre Radio Guaiba in Portuguese 2150 GMT 19 Dec 78 PY

[Text] Brasilia--Foreign Minister Azeredo da Silveira today confirmed that Brazilian trucks are not allowed to cross Argentine territory en route to Chile. He noted, however, that the people must be realistic because it would be of no avail to reach the Chilean border now, since the entire Argentine-Chilean border is closed.

BRAZIL 'IMPARTIAL' IN EVENT OF ARMED CONFLICT

PY200143Y Paris AFP in Spanish 0048 GMT 20 Dec 78 PY

[Excerpts] Brasilia, 19 Dec (AFP)--Brazilian Foreign Minister Antonio Azeredo da Silveira here today denied a Chilean press report of alleged Brazilian support for Chile in an eventual armed conflict with Argentina. The head of the Brazilian Foreign Ministry told reporters that this press report is speculation lacking any basis, and pointed out that his country would be impartial in an Argentine-Chilean conflict over the southern region of the continent.

According to information published by the Brazilian press today, EL MERCURIO of Santiago, Chile, stated that the message sent by the Brazilian Government to the governments of Argentina and Chile to search for a peaceful solution of the conflict represented moral support for the Chilean Government.

According to Minister Silveira, the message was very well received by the two countries, which thanked Brazil. He pointed out that this is a matter between the two countries; therefore, Brazil cannot intervene. He added: "We believe it is possible to find a peaceful path and a reconciling solution to this conflict."

He also said that his country supports peaceful solutions to disagreements between nations and that there are no countries, including Bolivia and Peru, interested in a war between Argentina and Chile.

GOVERNMENT, BUSINESS OFFICIALS DISCUSS OPEC DECISION

Energy Minister Comments

Rio de Janeiro O GLOBO in Portuguese 18 Dec 78 p 15 PY

[Excerpt] Mines and Energy Minister Shigeaki Ueki has referred to the 14.5 percent oil price increase imposed by OPEC in four stages as "deplorable" and "too high." He said that by the last quarter of next year the average price of Arab light oil will be $14.52. Ueki said the oil-importing countries will be paying OPEC close to $20 billion more per year, a fabulous amount which represents the world's trade in coffee, iron ore and sugar together.

The minister believes that as the result of the increase, the country will have to make "a redoubled effort to find petroleum on its territory and to vigorously develop the national alcohol plan, in addition to moving determinedly forward with the nuclear plan." He then added: "We must also step up the mining and utilization of Brazilian coal, and continue to give priority to the development of hydroelectric resources."

The mines and energy minister also said that the country needs to proceed with research in the field of nonconventional energy, such as shale and solar energy. He also pointed out that in addition to all these efforts, there is need to make people realize that all sources of energy must be used rationally, "especially oil, now that we have to cope with a new price increase."

Ueki believes, however, that Brazil is in a position to continue to grow, even with the new oil price increase, and that there is no reason for pessimism. He said: "We must be realistic and work on the basis of prices imposed by the oil-exporting countries. We are concerned about other oil-importing countries, even some developed countries, which are not in a position to accomodate the new increase easily."

Ueki predicted that next year the country will have to face an unfavorable world situation and a heavier burden on its import account. So, he said, "The time has come for all Brazilians to unite." The minister refused to comment on the effect the new OPEC prices will have on the cost of fuel domestically.

Finance Minister Foresees Problems

PY200144Y Rio De Janeiro JORNAL DO BRASIL in Portuguese 18 Dec 78 p 14 PY

[Text] Brasilia--Finance Minister Mario Henrique Simonsen yesterday received the news of the unexpected increase rate in petroleum prices with the following typically Brazilian remark: "This is another problem for Brazil."

The minister believes that the gradual increase in oil prices during the next 10 months until they reach 15.4 percent [as published] above current prices "is a factor which will restrict both economic growth and the policy to bring inflation under control and the balance of payments to a point of equilibrium." Simonsen noted that the 5 percent increase to go into effect in January will not affect the fuel price adjustment for February in Brazil.

PETROBRAS Expert Notes Effects

PY200125Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 18 Dec 78 p 14 PY

[Text] A high-ranking source of the purchasing department of the Brazilian Petroleum Corporation [PETROBRAS] stated yesterday that although PETROBRAS experts did not expect such a large increase rate--which he regarded as "absurd"--the increase will not have any impact in the short term on PETROBRAS because it has stocks for a minimum of 90 days. But taking into account the increase rate, and assuming that consumption does not increase, petroleum expenditures will increase by more than $1 billion in 2 years.

The present volume of petroleum imported by Brazil through PETROBRAS amounts to $4 billion. In view of the Iranian crisis, PETROBRAS experts expected a 10 percent increase to be implemented in five fractions of 2 percent, which would thus reduce the impact of the increase. They feel that the 14.5 percent increase has "drastically changed the picture." The increase will primarily affect all purchases to be made beginning in the second quarter of next year, when prices will have increased by 8.8 percent.

The PETROBRAS expert noted that the oil price increase will have a somewhat delayed impact, not only as a result of present stocks, which were acquired at low prices, but also because of the PETROBRAS method of payments, since PETROBRAS pays for 80 percent of its purchases within 60 days after delivery, without interest. Its methods of payment for other purchases range from 30 days after delivery to 180 days after delivery to those suppliers who collect interest.

Agriculture Officials View Increase

PY192344Y Porto Alegre Radio Guaiba in Portuguese 2150 GMT 19 Dec 78 PY

[Text] Porto Alegre--The president of the Rio Grande do Sul agricultural federation has stated that the petroleum price increase to go into effect in 1979 will not have a major short-term impact on the country's agricultural production, since this year's agricultural planting is practically complete. He believes, however, that the increase will have an impact in the medium term, especially on the harvesting and transporting of crops, and in the long term on production costs of the next crops.

(Celio Dias da Costa), vice president of the wheat cooperatives federation, shares this viewpoint and notes that the increase will not have any impact on the wheat crops, primarily because the oil price increase to go into effect in 1979 will be implemented in four stages.

Auto Industry Spokesman Comments

PY200131Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 18 Dec 78 p 14 PY

[Text] Sao Paulo--"The 14.78 [as published] percent increase in petroleum prices will mean an additional annual expenditure of $600 million for Brazil. Therefore, the Brazilian Petroleum Corporation [PETROBRAS] must become aware of the need to concentrate its resources on oil prospecting in the country, since too little has been done in this area." This statement was made by businessman Antonio Ermirio de Moraes, who said: "Although I am aware that PETROBRAS should make profits, I believe it should concentrate its resources on oil prospecting, since this is now in the best interests of the country."

Andre Beer, director general of General Motors, expressed his belief that "the 14.78 percent increase, to be implemented gradually, will not cause problems for the automotive industry. Since the increase will be gradually implemented, it will have a minor impact on the automotive industry. Furthermore, I believe that the Brazilian trade balance will be excellent in 1979, and that agricultural production will contribute to achieving this goal." He concluded: "I do not believe the increase will have any impact on gasoline prices, which are already extremely high."

PRESIDENT GEISEL APPOINTS NEW ARMED FORCES CHIEF

PY192302Y Porto Alegre Radio Guaiba in Portuguese 2150 GMT 19 Dec 78 PY

[Text] Brasilia--President Geisel today signed a decree appointing Gen Jose Maria de Andrada Serpa as chief of staff of the armed forces, replacing Gen Tacito Teophilo Gaspar de Oliveira.

PRESIDENTS PINOCHET, VIDELA TO VISIT SOUTHERN AREAS

PY192005Y Paris AFP in Spanish 1948 GMT 19 Dec 78 PY

[Excerpt] Santiago, 19 Dec (AFP)--The presidents of Chile and Argentina will spend Christmas in the southern zone of the continent, where the two countries have a serious border conflict, it was reported here today. Chilean Government sources confirmed to AFP today that President Augusto Pinochet will go to Punta Arenas on Monday, 25 December, and will also visit Puerto Natales and Porvenir, 2,500 km south of Santiago. Based on a telephone dispatch from Buenos Aires, the afternoon newspaper LA SEGUNDA has also reported that Argentine President Jorge Rafael Videla will go to the southern region of his country on Christmas.

DETAILS OF ARGENTINE AIR FORCE SECRETARY GENERAL'S VISIT

PY191245Y Santiago Chile Domestic Service in Spanish 1000 GMT 19 Dec 78 PY

[Text] Gen Basilio Lami Dozo, Argentine Air Force Secretary General, who made an unexpected 24-hour visit to Chile, held two meetings with Gen Fernando Matthei, Chilean air force commander. General Matthei confirmed these two meetings by noting that the first of these meetings was held at his private residence on Sunday evening, and the second was at a luncheon at Pudahuel International Airport. This luncheon was attended by Gen Xavier Lopetegui, national defense chief of staff; and Commander [name indistinct], Argentine Embassy air force attache.

General Matthei also confirmed that General Lami Dozo came to Chile exclusively to meet with him, since they are colleagues and old friends. He reported that during Sunday's meeting they discussed the Chilean-Argentine situation and the possibility of a solution. General Matthei clearly specified that he is a member of the legislative branch, and that this issue is negotiated by the executive branch. He therefore informed the president and Foreign Minister Hernan Cubillos about this meeting.

General Matthei said: It is not my area of activity, and I made this specifically clear.

Asked how he viewed the Argentine-Chilean situation, he said that Chile is completely open to negotiations, it is on the right path, it is calm, and under no circumstances will it attack Argentina. He added that the armed forces have strict orders to be on alert but to exercise a maximum of good judgment. He said: There will be no attack by Chile.

FOREIGN MINISTER DENIES SENDING LETTER TO ARGENTINA

PY191804Y Santiago Chile Domestic Service in Spanish 1630 GMT 19 Dec 78 PY

[Text] Chilean Foreign Minister Hernan Cubillos has categorically denied rumors that he had sent a letter to Argentine authorities which included new proposals to achieve a peaceful solution to the border dispute between Chile and Argentina. According to news agency reports, Gen Basilio Lami Dozo's unexpected trip to Chile constituted the Argentine Government's answer to the letter sent by Cubillos on Saturday, "which included new proposals to achieve a peaceful solution to the controversy." Asked about this, Foreign Minister Cubillos said that this rumor is completely false.

ARGENTINE OVERFLIGHT RESTRICTION PROTESTED

PY191533Y Paris AFP in Spanish 0318 GMT 19 Dec 78 PY

[Text] Santiago, Chile, 18 Dec (AFP)--The Chilean aeronautics board submitted a protest today to an international organization concerning the restrictions imposed on a Chilean commercial flight which normally overflies Argentine territory.

Gen Jorge Rojas, civil aeronautics director, said here today that Argentine authorities made a serious mistake in not authorizing a Chilean Copper Airlines [LADECO] plane to overfly Argentine territory during a scheduled flight between Santiago, Chile, and Sao Paulo, Brazil. This incident, which took place yesterday, forced the LADECO plane to return to Santiago and reschedule the 62 passengers on planes of different airlines.

General Rojas said that a protest was submitted to the International Civil Aviation Organization [ICAO], with headquarters in Montreal, Canada. Furthermore, a protest was also submitted to IATA, which is composed of almost all commercial airlines throughout the world.

General Rojas asserted that there are international flight agreements which Argentina ignored in the case of the LADECO plane. He added: It is unthinkable for Argentine authorities to erroneously interpret resolutions which have been issued by these same authorities, particularly when it concerns scheduled flights which have been in effect for a long time.

FOREIGN MINISTRY OFFICIAL REPORTS BORDER OPEN

PY191806Y Santiago Chile Domestic Service in Spanish 1630 GMT 19 Dec 78 PY

[Excerpt] Col Roberto Soto, Foreign Ministry under secretary, reported today that the Chilean border is not closed. He said that there was a misunderstanding since the Caracoles tunnel (?was closed) because of landslides on the Chilean side and because of the operations being carried out by Argentine military forces.

[Begin Soto recording] This is false. The border is not closed. Chile will never close its borders. On the Argentine side, however, the border has been temporarily closed on certain hours of the day due to military maneuvers being carried out by Argentine military forces.

OFFICIALS COMMENT ON OPEC PRICE INCREASE

PY191815Y Santiago Chile Domestic Service in Spanish 1000 GMT 19 Dec 78 PY

[Summary] Alvaro Bardon, Central Bank president, has reported that the readjustment in oil prices means that Chile will have to increase its expenses by $35 million. But Hernan Daroch, president of the Industrial Development Association, SOFOFA, stated that this readjustment will not have a great impact on the overall cost of production, since this cost will be gradually included in prices and will be compensated for by the devaluation of the dollar. The SOFOFA president believes that this readjustment in oil prices will result in an approximate increase of 33 percent in industrial costs.

Furthermore, Jorge Cheyre, president of the Metallurgical Manufacturers Association [ASIMET], said he is concerned about the price readjustment, since the metallurgical sector already has high fuel costs.

ENERGY MINISTER COMMENTS ON OPEC PRICE INCREASE

No Policy Changes Foreseen

PA191612Y Bogota Cadena Radial Super in Spanish 1100 GMT 19 Dec 78 PA

[Text] Bogota--Colombia's oil policy will not undergo any substantial changes as a result of the OPEC's decision to increase oil prices. The statement was made by Mines and Energy Minister Alberto Vasquez Restrepo in answer to a question from Super Noticias. The high-ranking Colombian official admitted that the 14.5-percent increase over present prices exceeded expectations. Vasquez Restrepo said that a 5-percent increase [words indistinct] had been expected. He said that, however, no decision has been adopted for the time being to change the strategy, which would involve periodic readjustments in the price of hydrocarbons. [sentence as heard]

Gasoline Price Increase 'Speculation'

PA191955Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 19 Dec 78 PA

[Text] The Colombian Government today categorically denied that the prices of [words indistinct] in connection with OPEC's decision to increase the price of petroleum. In statements to this newscast, Mines and Enegy Minister Alberto Vasquez Restrepo said that nobody understands how it can be said that gasoline prices will be increased when the government has not considered this as yet. It is sheer speculation, the minister added, promoted by elements interested in sowing confusion among public opinion. If there is to be an increase, it will be taken up only as soon as it is considered timely, he noted.

RELATIONS ESTABLISHED WITH SRV; OTHERS FORTHCOMING

PA200302Y Paris AFP in English 0257 GMT 20 Dec 78 PA

[Text] Bogota, Dec 19 (AFP)--Colombia has established diplomatic relations with Vietnam, Foreign Minister Diego Uribe Vargas announced here tonight. The relevant protocol was signed at the United Nations in New York today, he said.

In the coming three months Colombia would officialise its diplomatic relations with China, Mr Uribe Vargas added. It would also in the near future negotiate with Algeria (a delegation was due (?here) tomorrow), Morocco and Iraq on setting up diplomatic ties, the minister said.

BRIEFS

REDUCED MILITARY SERVICE--President Turbay Ayala today approved a law reducing obligatory military service from 24 to 18 months. However, the law provides that in cases of public need, the government may re-extend the military tour to 24 months. [Bogota Cadena Radial Super in Spanish 0000 GMT 8 Dec 78 PA]

PESO EXCHANGE RATE--Bogota, 13 Dec (LATIN)--The Colombian Government adopted tonight an official rate of 40 pesos per dollar to apply to the nation's international reserves. The monetary board made the decision, which will go into effect once the bank of the republic (Central Bank) ends its 1978 operations. For exchange purposes, the dollar, which is fluctuating constantly, was quoted at 40.75 pesos. [Buenos Aires LATIN in Spanish 0315 GMT 14 Dec 78 PA]

LA TRIBUNA SEES U.S. ESTABLISHING 'COMMON FRONT' WITH PRC

PY190221Y Asuncion LA TRIBUNA in Spanish 17 Dec 78 p 12 PY

[Editorial: "China and the United States"]

[Text] The restoration of diplomatic relations with China has set a definite course for U.S. foreign policy. It means saying goodbye forever to those principles outlined by John Foster Dulles and marks the establishment of a new order of international relations.

The decision, although expected, was quite important. It could have been foreseen earlier, of course, as a result of Kissinger's actions during the Nixon administration, when the presidential trip was made to Communist China, and when Communist China was admitted to the United Nations, replacing Nationalist China.

This new outlook in U.S. foreign policy toward continental China is apparently designed to establish a common front with one of the two main communist powers--Russia or China, depending on the international situation. The decision has also elicited a number of difficult questions from traditional U.S. allies. Among them, our country has maintained a clear-cut position even to the detriment of its economic possibilities, since it is proper to point out the fact that others have long given up their principles and yielded to the allegedly pragmatic position of taking as much advantage as possible of their trade with Communist China.

The U.S. decision was obviously based on a quite realistic viewpoint. Continental China, with its hundreds of millions of people, is a reality which no one can overlook. But, parallel to this, there may be some other side effects of unpredictable consequences, especially as a result of a more active presence of Communist China in the Western world.

In any case, the U.S. decision to establish relations with China--which has irritated the Soviet Union--will again emphasize a reality which the alleged internationalist proletariat has been unable to overcome--that is, nationalism. The Chinese people, just as the Russians, are first Chinese, then communists.

HOY CRITICIZES 'RUTHLESS ABANDONMENT' OF TAIWAN

PY190222Y Asuncion HOY in Spanish 18 Dec 78 p 13 PY

[Editorial: "Which Is China?"]

[Excerpts] The recent U.S. decision to conclusively break off relations with an old ally and establish relations with the regime which was able to take possession of a large piece of land in Asia--with the largest population in the world--has again elicited widespread comments in China.

Of course, behind this decision there is also a purely economic motive--that of gaining access to new markets and to promote a more fluid exchange, since 1 billion Chinese who both produce (not all of them, of course) and consume make a highly attractive market.

These conditions are taken into account when it becomes necessary to put the cards on the table and unveil the truth. The U.S. policy may be ultimately aimed at making China return to the right course by exploiting Chinese nationalism, the main cause of its controversy with Moscow. But what cannot be explained is the cruel, ruthless abandonment by the United States of the government and people of Taiwan, who have been left at the mercy of voracious conquerors. [paragraph continues]

After having supported the existence of this parallel government, after having recognized it, after having supported and defended it at international organizations, today Taiwan is tossed aside as an old object which was useful for an old strategy but which is no longer good for today's needs.

It remains to be seen, after this coordinated action by U.S. foreign policy, whether the United States will be able to accommodate the Chinese people who will want to flee from Taiwan searching for safer places, or whether it will accommodate them in the territories of its many allies. Could the United States reorganize what it has disorganized with its sudden change of course? The truth is that it has caused a chaotic situation for a loyal ally, for which this decision will have an impact similar to an atomic bomb, since the United States has been unable to work out a formula to protect its ally.

OIL PRICE INCREASE EXPECTED TO HAVE MINIMAL IMPACT

PY192236Y Asuncion PATRIA in Spanish 19 Dec 78 p 5 PY

[Excerpt] Industry and Commerce Minister Delfin Ugarte Centurion said yesterday that the recent OPEC decision to gradually increase oil prices to 14.5 percent will have a minimal impact in Paraguay. He said, however, that a slight readjustment in the price of gasoline will have to be made. The minister made some important announcements, including his opinion regarding the oil price increase, after a meeting of the National Council of Economic Coordination.

The ministry will, however, make a thorough study of the matter, but Minister Ugarte Centurion gave his opinion that the oil price increase will have a minimal impact in Paraguay next year. The matter is not expected to greatly influence the national economic structure.

LA TRIBUNA: OPEC DECISION WILL ADD TO EXPLOITATION

PY192337Y Asuncion LA TRIBUNA in Spanish 19 Dec 78 p 10 PY

[Editorial: "The Latin American Economic System"]

[Excerpt] The decision made by the OPEC member countries has dramatically created all kinds of concern and questions regarding the future of the economy of the Western countries.

In principle, it is proper to assume that the industrialized countries will find in this decision the ideal argument to increase the value of their manufactured products, an increase which, along with the higher price of fuel, will have to be financed by the so-called underdeveloped countries--that is, countries which do not have access to higher economic levels.

Therefore, exploitation, instead of being overcome, will be strengthened. The poorest countries will finance the growth and luxury of the richest countries. Unfortunately, this is the predominant structure in international transactions. This is a reality, and we should accept it.

Individually the OPEC member countries lack any influence in the world power structure. Venezuela, despite its wealth, is not above its neighbors in terms of power. Ecuador has even less power. And why even mention the small emirates of the Persian Gulf? Together, however, they can make the Western world's economy tremble.

ARMED FORCES COMMAND DENIES MANEUVERS IN SOUTH

PA192308Y Paris AFP in Spanish 2207 GMT 19 Dec 78 PA

[Text] Lima, 19 Dec (AFP)--The Peruvian Armed Forces have rejected as tendentious reports published abroad indicating that maneuvers by the Peruvian Air Force (FAP) and the Peruvian Navy (AP) were linked to the Chilean-Argentine dispute over the Beagle Channel. Gen Juan Estrada, minister-director of the central information office, today held an "emergency meeting" with foreign news correspondents to release a statement of the Peruvian Armed Forces command. International news agencies, which did not include AFP, had issued reports on Sunday and Monday regarding joint maneuvers in southern Peru as a result of the Chilean-Argentine dispute over the Beagle Channel.

"Neither the FAP nor the navy have staged maneuvers in the south. Furthermore, no maneuvers are scheduled to be held in that zone this year," the communique states. It adds that "what has occurred in Lima were demonstrations on the occasion of the fourth anniversary of the creation of army aviation, the closing of the FAP's academic year and some routine movements by navy units." "The Armed Forces command rejects this tendentious campaign which tries to link the normal activities of the armed institutions with the problem of brother countries of the south," the communique said. The Peruvian Navy and Air Force yesterday had separately denied the reports, which were particularly highlighted in Argentina and Uruguay.

AIR FORCE DEMONSTRATES NEW SOVIET-MADE AIRCRAFT

PA191451Y Madrid EFE in Spanish 0422 GMT 19 Dec 78 PA

[Excerpts] Lima, 18 Dec (EFE)--The president of Peru, referring today to the Peruvian Air Force's presentation of the Soviet Sukhoi-22 fighter-bomber, said that modern equipment is a guarantee of tranquillity for the people's development. President Francisco Morales Bermudez urged the 123 second lieutenants who graduated this year from the Peruvian Air Force academy to fly their planes with "thoughts of the fatherland."

The graduation ceremony included an exhibition in which the Sukhoi-22's were shown for the first time. Peru bought 36 of the planes from the USSR. The Peruvian Air Force also demonstrated "Mirage" and "Canberra T-37" planes as well as Soviet-made "M-I-6" helicopters. The air maneuvers were staged at Las Palmas air base near Lima and at Jorge Chaves International Airport, which was closed to commercial traffic for approximately 2 hours.

PETROPERU DISCUSSES EFFECTS OF OIL PRICE INCREASE

PA192133Y Paris AFP in Spanish 1619 GMT 19 Dec 78 PA

[Text] Lima, 19 Dec (AFP)--The crude price hike decided upon by OPEC for next year will affect national oil activities both positively and negatively and, as a consequence, it is cause for concern, the State Petroleum Agency [PETROPERU] has said: It noted that for the moment it will obtain a 5-percent profit from the sale of 2.7 million barrels to Sun Oil Trading. It will also receive a higher price for the oil it sells to Japan and, finally, the value of proven reserves will increase. Regarding the negative impact, PETROPERU said that it will have to pay more for the oil that it purchases from its contractors (Occidental Petroleum and Belco Petroleum) which operate in the northern jungle and on the continental shelf. The oil price hike, it added, will be reflected in world inflation and, therefore, prices of equipment, materials and spare parts that Peru imports for its industrial operations and oil production will go up. "This will entail an increase in operating costs when the industrialized countries bill us for the higher costs resulting from the rise in hydrocarbons prices," PETROPERU noted.

HERRERA, OTHERS COMMENT ON OIL PRICE HIKE

PA191855Y Caracas Radio Continente Network in Spanish 1000 GMT 19 Dec 78 PA

[Excerpts] There is great concern throughout the world because of the decision reached by the Organization of Petroleum Exporting Countries [OPEC] to increase oil prices by almost 15 percent. Observers claim that the measure has caused a new and very pronounced drop in the value of the dollar on world stock markets.

Reports from Washington indicate that there is consternation in private enterprise and within the U.S. Government because of the OPEC decision.

Here in Venezuela, FEDECAMARAS [Association of the Chambers of Comerce and Industry] has said that the increases are modest.

Meanwhile, president-elect Luis Herrera Campins has stated that the present government acted wisely during the last OPEC conference. The president-elect declared that his government will make a concerted effort to develop the Orinoco oil belt. The statements by the president-elect were published in the Colombian capital by the newspaper EL ESPECTADOR. Luis Herrera Campins says in the report that the Orinoco oil belt has an estimated potential of 70 billion barrels. He explained that it represents one of the largest hydrocarbons reserves in the world. The president-elect said that his government will be required to make momentous decisions in the years to come.

The oil price increase decreed at the OPEC meeting constitutes only a moderate measure in the struggle for the defense of the value of oil, said Dr Abdon Vivas Teran, a member of the Social Christian Party [COPEI] national directorate. He added that the oil price increase will not increase inflation.

Dr Vivas Teran said that those revenues may be used to purchase housing and services for the poorer classes. He said that today the COPEI national directorate is evaluating both the OPEC decision and the role played by our country at the Abu Dhabi meeting.

CVI PRESIDENT: HERRERA CAMPINS' ECONOMIC PROGRAM 'FEASIBLE'

PA151208Y Caracas EL NACIONAL in Spanish 12 Dec 78 p D-3 PA

[Text] The economic program drafted by President-elect Luis Herrera Campins is feasible. The electoral debate has not altered it with unattainable objectives.

Dr Roberto Salas Capriles, president of the Venezuelan Council of Industry (CVI), made the above statement while discussing the next administration's economic plans. It would be premature to conduct a thorough analysis, he said. Nor do I believe it advisable to give details merely about certain aspects of the program. Still, I believe that no excessive offers have been made to the voters.

The CVI president met informally with Dr Herrera Campins to congratulate him on his victory in the recent elections. According to Salas, the president-elect reiterated his decision to give private industry his most determined support in order to use what he described as "the enormous talent potential found among the business ranks."

Dr Salas Capriles stressed the objective of the next administration's program--that of motivating and stimulating work. For many reasons, he affirmed, productivity has dropped markedly in our country. Absenteeism and the rotation of personnel at all levels within a company have undermined effectiveness in work.

He underscored the need for a national awareness aimed at providing incentives for production.

He added that practical programs, conscientiously implemented, that effectively lead to greater interest in work must be implemented.

Regarding the Andean Pact, he expressed certainty that the next government will maintain an integrationist policy within the subregion.

The CVI president said that the new administration should receive maximum cooperation because anyone taking the country's reins must do so for the benefit of the country.

As leaders of the industrial sector's unions, we are far removed from party politics, he affirmed, and our duty is to wish the new president the greatest success.

To conclude, he stressed that the current policy of understanding with the private sector must be maintained under the next administration as a means of continuing the dialog between the public and private sectors. This will enable them to resolve the country's future economic problems.

HUMAN RIGHTS COMMITTEE DENOUNCES VIOLATIONS HERE

PA152311Y Caracas EL NACIONAL in Spanish 12 Dec 78 p D-4 PA

[Advertisement paid for by the Venezuelan Committee for the Defense of Human Rights, entitled: "Thirty Years After the Approval of the Universal Declaration on Human Rights, They Continue To Be Violated in Venezuela"]

[Text] Sunday marked the 30th anniversary of the approval by the United Nations General Assembly of the "UNIVERSAL DECLARATION ON HUMAN RIGHTS", which was signed by 48 nations as a sign of acceptance, in total, of the revolutionary, antifeudalistic, antimonarchic and anticolonialist ideas that emerged in Europe and spread across America in the 18th and 19th centuries. It is worth noting that the foundation of this declaration was a product of the deepest ambitions and conquests of man as proclaimed in his heroic battles throughout the history of civilization. It is clear that in speaking of human rights, we will be referring to those principles under which the life of any person should pass, the minimal rights that are INALIENABLE to man merely because he is a member of the human race, wherever he may be in the world and whatever the circumstances.

We also view with a certain amount of concern how these rights are simply being DISAVOWED, FLAGRANTLY VIOLATED throughout the entire world by rulers and dominating sectors of those societies that operate today without too much difficulty in all the nations where there are PROTESTS against the SUBHUMAN LIFE to which the people are condemned. The United States has develped its great empire to sow HUNGER, GENOCIDE AND total MASSACRES. Let us recall the 350,000 Colombians killed in 1952 by U.S. troops that participated in the civil war between the Liberals and Conservatives. It intervened in Guatemala in 1954 to overthrow the Arbenz regime because the regime had nationalized the lands of the United Fruit [Company]. More recently, it intervened in South Vietnam, in the heroic Chilean nation, overthrowing the government of Salvador Allende, and now, the shameless intervention of U.S. mercenaries in the land of Sandino, NICARAGUA. And the present ruler of this power, James Carter, contends that he is the champion of the defense of human rights in the world. There could be no greater fallacy. [paragraph continues]

James Carter is the main promoter of the CRIMINAL neutron bomb, known for "ONLY KILLING PEOPLE." Only two Latin American countries have representative democratic governments. All the others have fascist military regimes. TORTURE IS BEING APPLIED IN ONE-FOURTH OF THE WORLD. There are POLITICAL PRISONERS in over one-half. Over three-fourths have THE DEATH PENALTY and also apply it to POLITICAL PRISONERS.

But here in Venezuela, HUMAN RIGHTS are also VIOLATED, both under military governments and those of the democratic-representative type such as the one that is currently in power. There are SYSTEMATIC violations of the constitutional postulates that oversee, guarantee and protect the civil, economic and political rights of our society, especially those of the immense majorities. These violations are given various names in order to MOCK their very significance. Techniques and mechanisms for violating these rights have advanced progressively. And it has been the rulers themselves who have been the perpetrators of the long and horrendous HISTORY OF CRIMES, KIDNAPINGS AND TORTURES that has filled hundreds of humble Venezuelan families with mourning so many times. We merely list a few of the violations committed by this government against our people over the past few years:

Ignoring the medical and paramedical groups' right to NEGOTIATE their relations and labor conditions with the state;

Creating a conflict with university teachers by not wanting to yield to their just contractual aspirations;

ARBITRARILY and UNCONSTITUTIONALLY arresting textile leaders Jose Correa, Miguel E. Alvarez, Pedro Mosqueda and Luis Herrera; disregarding a PRISON RELEASE (habeas corpus) issued by a Maracay judge and failing to respect a prosecutor of the judiciary branch who tried to execute the order;

Arresting and turning over to military courts workers and leaders involved in the BANANA COMPANY conflict who were struggling for just socioeconomic aspirations;

Illegally arresting and applying military justice against reporters Irma Barreto and Doris Francia, who is still under arrest at Tucuyito without even having been arraigned;

Violating PARLIAMENTARY IMMUNITY and applying military justice against combatant Deputy Salom Mesa Espinoza and Fortunato Herrera;

Arresting Angel Marquez, a popular leader and the director of the newspaper RUPTURA;

Opening a new military trial against writer Diego Salazar for having written the book "Despues del Tunel" and arresting writer Alvaro Carrera, director of the Cumana newspaper CARIBE;

Censuring Euro Fuentemayor, reporter of the courageous newspaper EL NACIONAL, because of articles that denounced the false government conservationist policy;

Holding incommunicado and savagely torturing groups of political prisoners in La Pica, Maracaibo and San Carlos;

Executing by firing squad Jose Antonio Noguera Figueroa, Ramon Bello, Manuel Lugo Acaban and Federico Bottino Marin (vilely murdered by the Judiciary Technical Police (PTJ) in Turmero);

BRUTALLY AND UNCONSTITUTIONALLY raiding the Central University of Venezuela and the Caracas Pedagogic Insitute;

Detaining art works (portrait of Bolivar) by painter Regulo Perez and a complete exposition by Jose Perez;

The military seizure of the 23 De Enero District and firing on a minor from a metropolitan police helicopter;

The death of Jorge Rodriguez, secretary general of the Socialist League, who was murdered when the present director of the PTJ was the director of the Directorate of Intelligence and Prevention Services; shooting Tito Gonzalez Heredia and Dr Aguilar Serradas, who gave valuable testimony in the notorious "Argentine junk" case in which high-ranking military officers were involved; the death of student Javier Divasson; the assassination of Fernando Segundo Quintero, an engineering student who was reported missing and whose body was found 1 month later, a result of the enormous popular protest demonstrations being organized in Valencia and throughout Venezuela; the death of student Enrique Rodriguez Figueroa, who was painting a wall with a denunciation of the presence of James Carter in Venezuela; the death of lawyer Carmona Vasquez at the hands of the PTJ's Gato [not further identified] group, with Dr Manuel Molina Gasperi, former director of the PTJ, appearing as the intellectual author of the crime; the assassination of worker ESTEBAN LIENDO by Aragua state police for daring to protest against the senseless repression used to oust humble families from Sorocaima District, which they decided to occupy on 3 December;

Formally enacting the regulations of the labor law, the law against unjustified dismissals, the law on vagrants and hoodlums, Regulations 11 and 35, the security and defense law and Decree 440 in an attempt to abort any sort of popular demonstration for the improvement of workers' wages and working conditions;

Harrassing, persecuting, and causing the disappearance of humble peasants in Caigua, Arenita, Guaribe, Zaraza and other farming regions of the nation;

Deporting about 100 Portuguese workers from Guayana for participating in a protest over a wage increase;

Dismissing and later rehiring 1,300 workers at the Orinoco's Mining and Steel [Company] for refusing to accept the imposition of shifts that were detrimental to established labor conditions; [sentence as published]

The death of Alberto Rivero Pacheco at the hands of the Democratic Action Party youth secretary for Yaracuy [State];

The harrassment by armed bands of rubber workers in Valencia under the leadership of unionist Jesus Perez.

We ask: What norms and procedures regulate the actions that permit governments to act with MAXIMUM IMPUNITY in view of their IRREGULARITIES and ILLEGITIMATE acts, above all, when popular sectors are repressed? [question as published]

In the face of these UNJUSTICES, the Venezuelan Committee for the Defense of Human Rights considers THAT WE CANNOT CONTINUE TO BE IMPASSIVE, IMMOBILE, DEAF AND DUMB but that our task is TO GO OUT AND FIGHT FOR THE CONQUEST OF OUR RIGHTS and INTERESTS, which are no other than those that represent and benefit the majority, the popular sector.

OUR RIGHTS ARE CONQUERED THROUGH THE INTRANSIGENT AND SYSTEMATIC EXERCISE OF THESE RIGHTS!!!

[Signed] The Venezuelan Committee for the Defense of Human Rights

TORRIJOS LOYALTY DAY MESSAGE TO NATIONAL GUARDSMEN

PA172217Y Panama City Domestic Service in Spanish 1730 GMT 17 Dec 78 PA

[Loyalty Day message by National Guard Commander in Chief Gen Omar Torrijos Herrera to all guardsmen on 16 December 1978--read by announcer]

[Text] On several occasions we have stated publicly that we are proud of being commander of the National Guardsmen because of their loyalty and patriotism. We repeat that. Today, as we commemorate the event we lived through and shared on 16 December 1969, when a small group of our officers, in collusion with negative elements in this country and certain foreign adventurers, betrayed us, taking advantage of our short absence in a desperate effort to remove us from office, we do not want to dwell on memories of something that we left to oblivion a long time ago without any rancor. We do want to take this opportunity, officers, noncommissioned officers and rank and file, to thank you deeply for that great loyalty and profound spirit of unity that you retained toward us in the fulfillment of the great responsibilities that fell on our shoulders in the last few years.

We also want to take this opportunity to reiterate our sincere appreciation for the loyalty swelling and growing in each of you whenever it comes to serving along with us the real interests of our people and our dear country. The complete confidence that you inspire in us, that zeal with which you serve the community which is also our community, is precisely what motivates us and will continue to motivate us to accept the complex tasks and serious commitments that destiny and the nation have imposed on us.

As our armed institution experiences new, historic stages within our declared and frank secondary position, we continue to watch over national events. Our position is one of full support for the civilian government which today worthily rules the republic. Our course is exalted by prompt entry into the Canal Zone, along with the rest of the Panamanians, to consolidate total sovereignty over our territory.

Our doctrine as a new armed institution which uses its strength not against the people but to help them achieve full development is a legitimate source of pride to us as its commander, to the general staff, and to every chief, officer, noncommissioned officer or rank and file member. May this be a day of meditation without rancor and a day symbolic of our high sense of duty.

All for the homeland.

[Signed] Brig Gen Omar Torrijos Herrera, commander in chief of the National Guard

PRD OFFICIAL ADOLFO AHUMADA OUTLINES PARTY PLANS

PA181319Y Panama City Domestic Service in Spanish 0303 GMT 17 Dec 78 PA

[Speech by Panamanian Government and Justice Minister Adolfo Ahumada on behalf of the Democratic Revolutionary Party during the ceremony held at the "Old" Golf Club in Panama City to commemorate the ninth anniversary of Loyalty Day, organized by the interinstitutional political committee made up of the political committees of all government agencies--live]

[Text] Mr President, fellow members of the Democratic Revolutionary Party [PRD] organization committee, fellow members of the interinstitutional political committees [as heard], guests, everyone:

Allow me, first of all, on behalf of the party's organization committees [words indistinct] the great work done by the committee that organized this event, a committee composed of the representatives of seven state agencies who have performed commendable, serious, tiring work which is the kind of work that will be permanently and profoundly required in the country to organize the biggest, most vigorous and most powerful party in the history of the republic. [applause]

It is also convenient for some thoughts to be put forth, even though briefly, regarding the nature and meaning of the party, particularly to try to dispel some confusion that may be created about it. We must point out that in Panama at this time, as Victor Young said during his speech, there are new rules of the game from the point of view of political activities, and those rules of the game include the possibility of a broad, free and democratic party organization, without prohibitions, without limitations, without restraints on any national sector.

In this sense, the PRD, as the expression of the Panamanian revolutionary process, is starting to take the initial steps toward its formation and ensuing operation. Therefore, it will join the race against any other political organization which meets the requirements set forth by law and participates in the national political debate.

Some doubt has been cast over the possibility or the viability of registering various political groups, but this does not mean, in case those doubts lead political organizations not to register because they do not want to or cannot do so, that we should not create the PRD.

The PRD is an institutional need of the process. It is needed as an instrument of the process so that the process can organize itself, can pick up all the expressions of sympathy that have been made regarding all the tasks performed throughout 10 years of revolution. This means that the PRD was already a necessity regardless of whether the new rules of the game came about, because this is not simply an electioneering party that will merely participate in the elections and nothing else.

In addition to rightfully participating in the elections, the PRD has to be an instrument of education, training and strengthening in order to achieve the irreversibility and permanence of the revolutionary process. [applause]

We are surprised that these doubts have arisen regarding the law on political parties, because the idea is to create, with these new rules of the game, strong, powerful, serious, really representative organizations with memberships--not just leaders but leaders and members--which will overcome the difficulties, limitations and vices that existed during the electoral races held in our country before the advent of the revolution.

Thirty thousand members is not an exaggerated figure. It is not a result of the fact, for instance, that in 1984 the electoral population will total about 1 million voters. Let us merely recall that the projects [as heard] existing in 1968 required 50,000 members, and at that time those who were 18 years of age had still not been incorporated into political life, only those 21 and over.

This means that we are talking about a legal requirement of about 3 percent of the electoral population. Therefore, if a political group cannot achieve that 3 percent, it can be a respectable, serious group, a political current, a political sector, but, at least from a legal standpoint, not a political party which is really representative, with the support and sympathy of the masses, which is what the political parties should be now according to the new concept.

However, as things are in the national panorama, we are convinced that there will be several political groups which, through their efforts, will achieve the 30,000 figure, and we are certain that it will be so because there is a broad outlook in the national political life.

To explain further, this also means that the PRD has never tried, is not trying at present, and will not try in the future to monopolize General Torrijos' image for itself. General Torrijos' image belongs to all of the Panamanian people. It is deeply rooted in our society. This is why it is not permissible for any group, not even the PRD, to monopolize his image. But the one thing we are sure of is that the PRD will represent the past, the present, and the most promising future of the revolution in this country.

Things have begun to move along, and this event is a part of that victorious march among the parts of our new political situation. The organizing committee will soon announce the formation throughout the country of the party's preregistration committee on the basis of a great province-by-province process of national patrolling [patrullaje]. This preregistration committee will come from the bottom, from the base, from the corregimiento level, and will include all sectors, all leaders and all activists interested in participating in the new tasks that the PRD will undertake. We are referring to the patrolling that is scheduled to begin in Chiriqui Province on 20 January 1979.

That patrolling is also expected to lead to broad discussions about the party's platform, principles, statutes and formal physical emblems. Everybody will participate, including this very important sector of the national life, which is part of the middle class of the population, which has a certain cultural level and a certain level of political formation and which has assumed a central role in Panama in the support and defense of the process, that is, the public sector headed by the institutional committee in each of the country's public institutions.

This means that, at least at this stage, these committees will be responsible for continuing the organization, and later the growth, of the PRD in each of their sectors and even outside their sectors.

The next stage will call for the substitution of the interinstitutional committees by groups of militant PRD activists in each of the ministries and in each of the country's autonomous institutions. That will be the objective in the second stage.

This is why we expect perfect coordination between the administrative leaderships of the various institutions and the committees, even at the stage at which these committees are turned into party fronts within each institution. Therefore, it must be understood that leaders must be democratically selected in each of the institutions, regardless of the position held by any PRD militant within the administration of any given autonomous institution or ministry. Militancy and activity are enough, and militancy and activity must be the basis for the choice and selection of that leadership, even if the most active, most diligent, most serious and most dedicated persons do not hold highly responsible posts within the directorates of those ministries or autonomous institutions.

This also means that the PRD committees must support rather than hinder the hierarchical-administrative leaderships and programs of each of these instutitions. In other words, the PRD groups within each institution should serve as a support, a firm support for the fulfillment of the various programs and leaderships, beginning with the ministers and vice ministers. But, at the same time, the ministers and vice ministers cannot hinder the activities of the PRD groups and personnel. [applause]

In other words, there must be a close and coordinated relationship, based on respect for guidelines and on a continuous effort to consider the country's best interests.

These are the guidelines that the organizing committee instructed me to announce to you today. I would like to add that, regarding militancy within the party, it will be necessary to be militant in what we call--at least for the time being--mass organization. In other words, it is not enough to be a PRD militant, it is also necessary to participate in some type of organization--be it youth, union, peasant, business, women's or cultural. In other words, some type of activity that permits a permanent linkage or connection between the militant and the rank and file for the various tasks and action areas. There will be a territorial organization for each province, district and corregimiento, but there will also be an organization for each sector.

Regarding these, at the opportune moment we will all have the possibility of discussing the plans being drafted by the party's organizational committee in order to improve them.

This is the way the situation looks, the situation we are facing. The tasks are difficult because we will have to create an organization with members who will contribute different ideas, feelings and hopes to it. It is a difficult and complicated task, but it is also an important one. Those different ideas, including views on the approach to a specific program, can be discussed within the party. Therefore, the country's greatest problems can be discussed there, within the party as an instrument of the unity of all who believe in this process, including any demands. This means that those who want to be members of the PRD will have to understand that even the demands of their sector will have to be discussed within the party, not outside of it. The decision democratically made by the majority will be the one that will be adopted.

The minority will have to adapt its activity and conduct as a militant force outside the party structure to the decisions that the majority adopts within the party structure, even if it pertains to discussion on such specific demands as wage increases and so forth. I am not referring only to the public sector, but to all sectors, so that everyone will have a clear picture of the way things stand. This means that we are not making a party solely for the elections; we are making a true party, a party that will categorically and firmly guarantee the strengthening of this revolution. Thus it will be known that it is not true that--and now I am referring to the public sector--we can adopt, as some seem to want, the policy of political stillness and immobility of the public sector so that they will remain mere technicians or bureaucrats. There are some who want that. [applause]

There is the story that the public servant is involved in politics only because someone holds a whip over him, or because he is forced to attend events or meetings, since he has no conscience or will. What is sought with that story is for the public servant to feel that if he takes a political step in favor of the process, he will be acting outside the limits of his conscience and will. Ultimately, this will lead the public sector into immobility.

The public sector is made up of very good people, very good cadres, people who were shaped in our schools and universities. They are too good as cadres in our political struggle for us to believe that story and not tell the public sector to mobilize. We will tell the public sector to continue mobilizing, even when it goes against those who want the return to the period prior to 1968. [applause]

We will have to face problems, but there are programs, ideas, plans. And with the help of all Panamanians, especially those who are most enthusiastic, those who support the process, we will be able to confront all those problems. We must not think we are experiencing the liquidation of the process, only the beginning of a new phase of it.

The withdrawal does not mean that we do not have to defend the revolution. It does not mean that the revolution has ended. It means a new phase in the process, a phase which demands even more tasks from us, a situation which is more complicated. Efforts must be doubled, but always by looking to the future with great optimism. We should not weaken in the effort. Nobody should feel that we are liquidated as a revolution. On the contrary, the watchword here must be revolutionary optimism in the present and in the future.

The PRD will be an instrument of this optimism. We will be--beginning with this victorious journey from home to home, street to street, in each province, district and corregimiento of the republic; we must feel that way--the standardbearers of this well-meaning crusade in support of the revolution for the country's present and future. Thank you. [applause]

CRITICA URGES ROYO TO FOLLOW CARTER ON PRC RELATIONS

PA192238Y Panama City CRITICA in Spanish 19 Dec 78 p 31 PA

["Destellos" column by Maginiano Tugri: "Carter's Victory"]

[Excerpts] U.S. President Jimmy Carter, central figure among the defenders of peace and human rights, has announced that his country will establish full diplomatic relations with the PRC. Carter has played a very important role in the renewal of the democratic policy of the great northern power.

In the short time he has been president, Jimmy Carter has already solved two basic problems for world peace: The abolition of the obsolete 1903 canal treaty and diplomatic relations with the PRC.

Agreement on a peace treaty between the Arabs and Israelis is more feasible in view of this decision to establish relations with mainland China. This shows the world the high standing of the U.S. president in becoming involved in and deciding on the problems of world peace.

In that path of obtaining realizations that were mere dreams yesterday, Carter is seen as a world leader. The world needs great leaders committed to history and mankind's great destiny.

China is the world's biggest political community. The energy potential of that great human group will have a great effect on the whole world. The achievement of peace between his people and the Chinese people is a victory for President Carter.

It is time that the Panamanian Revolutionary Government, headed by His Excellency President Aristides Royo--a statesman with a profound vision of the world's future and an exemplary ruler of this isthmus republic in the center of continental brotherhood--establishes diplomatic relations with the PRC, the old celestial empire of the east.

COMMENTATOR CHARGES CIA CAMPAIGN TO DISCREDIT FSLN

PA192102Y Panama City Radio Hogar in Spanish 1230 GMT 19 Dec 78 PA

[From "Radioperiodico Conciencia" program with Milciades Ortiz]

[Excerpts] Have you noticed, listeners, that recent news reports from Nicaragua highlight the Broad Opposition Front [FAO] and place the Sandinist National Liberation Front [FSLN] in a secondary position? This happens with AP and UPI dispatches, and, very recently, with ACAN-EFE. What happens is that the CIA is conducting a full-fledged campaign to discredit the Sandinists.

The U.S. plan consists of a solution that would permit the Somoza sociopolitical structure in Nicaragua to remain intact. For this purpose, U.S. intelligence circles have come up with a plan for a plebiscite in which the results might even be favorable to the Somoza family. In the meantime, they have to discredit the Sandinists in the eyes of the world. Consequently, news agencies have been neutralized by sending certain newsmen who know how to work from inside Nicaragua in favor of Somoza. They cite any Nicaraguan official and present the Sandinists as an obstacle to a peaceful solution to the Nicaraguan conflict.

This newscast has learned from secret but reliable sources that U.S. experts in counter-insurgency sent to Nicaragua as mercenaries are actually CIA agents. The role of those paid assassins is to destroy the FSLN leadership, even by murder, but in such a way that they cannot become heroes. They are trying to eliminate the main Sandinist leaders after a worldwide campaign to discredit them in the press so that their deaths will not be taken so badly by the Latin American community. So, it would not be strange if soon we read news about atrocities reportedly committed by Sandinists in Nicaragua, that the Nicaraguan people want peace without war, and that Somoza is accepting everything the opposition demands to bring peace to his beloved Nicaragua. Although this is a tremendous lie, when repeated by AP and UPI and even by ACAN-EFE, some may believe it.

This is an alert to Latin American patriots who are struggling against the Somoza dynasty and the machinations of the CIA.

EXPLOITATION OF COPPER MINE UNCERTAIN

PA1515547 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Dec 78 pp 1, 63 PA

[By Ramon Guerra]

[Excerpt] David, Panama--"Exploitation of the Cerro Colorado copper mine is uncertain in view of the magnitude of the investment, involving over 1.6 billion balboas, and the current price of copper on the world market. The financial operation involves some risk. A credit of 1.1 billion has been secured from Canadian banks, but efforts are still being made to obtain 500 million on other money markets.

"Studies being made on future copper prices are encouraging but involve risks. If everything goes well, work can commence within 6 months."

The above statement was made by Ruben Dario Herrera, general manager of the Cerro Colorado State Mining Corporation, during the seminar for Guaymi Indian chiefs, [corregimiento] representatives and mayors held on Monday in Cerro Escopeta. Gen Omar Torrijos, National Guard commander and leader of the revolution, made a brief surprise appearance in the company of Rodrigo Gonzalez, president of the corporation.

The meeting began at 0800 yesterday. [as published] Sitting at the main table were Alfredo Macharaviaya, governor of Chiriqui Province; Maj Ricardo Garibaldo, chief of the 5th military zone; Msgr Daniel E. Nunez, Bishop of David; Lizia Lu, director of the Social Department, and her assistants; Indian Chiefs Monico Cruz of Bocas del Toro, Samuel Gonzalez and Lorenzo Rodriguez; and students and leaders of Indian associations. The governor said that "this government has incorporated the Indians into the nation's life, and this is the beginning of a constant dialog with Guaymi Indians."

COSTA RICA

GREAT CONCERN EXPRESSED OVER OPEC PRICE INCREASE

Economy Minister Comments

PA192004Y San Jose Radio Reloj in Spanish 1730 GMT 19 Dec 78 PA

[Text] Economy Minister Fernando Altmann Ortiz said today that he and the government are very worried about the increase in the price of oil and oil byproducts. He said that he had expected an increase but not of the magnitude that was established and that this brings serious problems to many countries because most raw materials are on the basis of oil. [sentence as heard]

In view of the oil price hike that has been announced, it is necessary that we Costa Ricans think deeply about the impact of this measure. For this region, it is urgently necessary that all of us concern ourselves with rationalizing the use of fuels, particularly when it is unjustified, in order to soften the impact on our economy, Altmann said.

Costa Rica consumes many thousands of barrels of oil a year and, in view of the ordered increase, the outgo of foreign exchange will run into millions of dollars.

Impact on Byproducts Noted

PA192154Y San Jose Radio Reloj in Spanish 1730 GMT 19 Dec 78 PA

[Text] The oil price increase will have serious effects in the country. The Costa Rican Chamber of Industry has called for measures to counteract those effects. In a letter sent today to Mr Ortuno Sobrado, executive president of the Costa Rican oil refinery, the Chamber of Industry states that, as a reaction to the announced increase in the price of petroleum byproducts, some persons linked to national entities involved in the processing and marketing of those important raw materials have announced the possibility or the need to readjust the prices of those products, including diesel and bunker oil.

The chamber states that it is concerned about the eventual increase in the prices of petroleum byproducts, adding: We understand that it is impossible for the country to evade the effects of the increase decreed by the oil exporting countries, but we believe that Costa Rica can and should implement, as has been done in the past, measures that will mitigate the negative effects of such an increase.

RELATIONS WITH TAIWAN TO REMAIN UNCHANGED

PA200420Y Panama City ACAN in Spanish 2319 GMT 19 Dec 78 PA

[Text] San Jose, 19 Dec (ACAN-EFE)--According to announcements made today by President Rodrigo Carazo and Foreign Minister Rafael A. Calderon, the Costa Rican Government will not sever its relationship with the ROC.

Carazo stressed that Costa Rica's foreign policy is independent and is not influenced by pressures from abroad. In this manner he indicated that Costa Rica will not alter its traditional friendship with Taiwan to establish full relations with Peking. He said that the ROC Embassy here has been apprised of this.

For his part, Foreign Minister Calderon, while confirming the maintenance of links with Nationalist China, said that attempts will be made to increase trade exchange with the PRC. Commenting on President Jimmy Carter's recognition of Peking, Calderon said that "this decision is an important milestone in East-West relations" which "will aid detente."

LEGISLATIVE DELEGATION NOTES ACHIEVEMENTS OF CUBAN SYSTEM

PA191515Y San Jose Radio Reloj in Spanish 1200 GMT 19 Dec 78 PA

[Text] Fidel Castro received the Costa Rican deputies. The delegation has stated that they only discussed general matters. The Costa Rican congressional delegation arrived at the Juan Santamaria airport at noon yesterday after an extensive, several-day tour of the Island of Cuba.

Deputy Johnny Fernandez defended the official visit paid to Fidel Castro by saying that the world is at a moment of rapprochement with all ideologies.

Fidel Castro is stronger and more mature. Speaking at the Legislative Assembly, Deputy (?Fernando) Echeverria said that Commander Fidel Castro has changed tremendously and now looks stronger and is more communicative than in previous years. The opposition deputy accepted the system chosen by the Cubans. It has brought great development to them in fields such as education and industry and in the social field. According to Deputy Fernandez, the democratic system is slower in making social and economic advancements.

Churches are open in Cuba but only old people go to church. Deputy Johnny Fernandez said that he had found no defect in the Cuban system. He said that we must accept the Cuban system as a fact because it was the decision of a people to take the path toward their emancipation and advancement.

In comparing Cuba with Costa Rica, Deputy Fernandez (Saborio), of the National Liberation Party, said that even churches are open to the Cubans but only old people go to church.

COMMENTARY SCORES 'ARBITRARY' SECURITY MEASURES

PA192048Y San Jose Radio Reloj in Spanish 1730 GMT 19 Dec 78 PA

[Unattributed commentary]

[Text] President Carazo's government, visibly worried over a possible invasion of Costa Rican territory by Somoza, has adopted such extreme precautionary measures that it looks as if we were in a state of war. War is underway in Nicaragua, not Costa Rica. Neither Somoza nor the struggle now being waged in Nicaragua is good reason to disturb the quiet and orderly life of Costa Ricans.

Following certain charges, there was a change of command in Guanacaste. Now Colonel Munoz has unleashed true persecution throughout the area, and life has become very difficult in Guanacaste. Colonel Munoz has become an implacable foe of anything that might even mean anti-Somozism.

If the government insists on looking for people who cannot like [Rivas National Guard Commander] General Evertz, we will be persecuting all Costa Ricans because here in Costa Rica and in the entire world we, the people and citizens, are against Somoza. Nobody can side with a bloody and cruel dictatorship.

Placing military checkpoints on the Inter-American Highway is unwarranted. Anyone entering or leaving Liberia is mercilessly searched, and this is unconstitutional.

Carazo is a man of action, with a strong and very aggressive temperament. If he must search vehicles and arrest persons for being anti-Somozist, however, let him suspend the guarantees and not do so in the illegal way Colonel Munoz is acting in Guanacaste.

We irately protest over the seizure of arms, arrests of persons and searches for nobody knows what now being carried out by the government to implacably persecute Sandinists. These measures are altogether arbitrary.

BRIEFS

COFFEE SALES--Alvaro Jimenez, executive president of the coffee office, has reported that 78,458 tons of coffee were sold from the 1977-78 crop that has just been harvested. The total price of the coffee sales amounted to $276.2 million. This figure is lower than the 1976-77 harvest. [San Jose Radio Reloj in Spanish 1730 GMT 19 Dec 78 PA]

HONDURAS

'DEEP CONCERN' VOICED OVER NEW OIL PRICE INCREASE

PA200321Y Panama City ACAN in Spanish 2240 GMT 19 Dec 78 PA

[Text] Tegucigalpa, 19 Dec (ACAN-EFE)--All Honduran sectors which are directly involved in the country's economic activities reacted with great pessimism today to the price increase on crude declared by OPEC. The decision was made this past weekend in Abu Dhabi.

Honduran Economy Minister Benjamin Villanueva described the 14.5-percent increase as excessive and affirmed that it will have very negative effects on Honduras' balance of payments and on the inflation rate. He estimated that the new oil prices will oblige the country to pay 18 million lempiras ($9 million) over and above the $60 million which it now pays for oil. He said that he had asked economists to study alternatives to soften the almost inevitable blow to the consumer economy. The Honduran economy minister said that in addition to the alternatives which might emerge to prevent disastrous effects, the U.S. Texaco refinery which operates in Honduras will have to absorb part of the increase ordered by OPEC.

The Honduran economic team is also considering an eventual complete or partial suspension of import duties on crude imported by the Texaco refinery in an effort to soften the blow from the price increase. In this respect, it has already announced the appointment of a national energy commission composed of private enterprise and government representatives. The commission will evaluate the consumption of crude in Honduras and make recommendations for restrictions on the sale of crude to prevent waste.

Labor sectors, middlemen and oil transporters have also delcared their "deep concern" and said that the country is in no condition to absorb the cost increase. Honorato Hernandez, an urban transportation leader, said that the new oil price increase "will be paid by the people" and that we are on the eve of "an unprecedented disaster for our battered economy."

So far the Texaco refinery has made no statement to the military government on the new increase, but it is expected that it will do so in January, when OPEC begins to implement the price increase.

GUATEMALA

OFFICIALS VIEW OPEC PRICE HIKE WITH PESSIMISM

PA192234Y Paris AFP in Spanish 2150 GMT 19 Dec 78 PA

[Text] Guatemala City, 19 Dec (AFP)--Guatemalan authorities viewed OPEC's oil price increase with pessimism. Economy Minister Valentin Solorzano has said that Guatemala is defenseless in view of the oil price increase. Similarly, Finance Minister Marco Tulio Bucaro and Secretary General of Mining and Hydrocarbons Jorge Luis Monzon noted the need to rationalize the use of petroleum.

NICARAGUA

PLN-FAO TALKS ON PLEBISCITE 'DANGEROUSLY STALEMATED'

PA191713Y Panama City ACAN in Spanish 1553 GMT 19 Dec 78 PA

[By Eduardo Romero]

[Text] Managua, 19 Dec (ACAN-EFE)--The talks between the government and the Nicaraguan opposition to establish a mechanism for a plebiscite to decide whether Gen Anastasio Somoza should stay in power were dangerously stalemated today, Tuesday.

The negotiations, which are sponsored by mediators from the United States, Guatemala and the Dominican Republic, are "on the verge of a breakdown," according to Alfonso Robelo, member of the political commission of the Broad Opposition Front [FAO].

The stalemate developed when the time came to broach "the consequences" of the plebiscite.

The moderate opposition, which agrees with the plebiscite despite criticisms from the most radical sectors, wants President Somoza to resign immediately if the plebiscite is unfavorable to him. In that case, the FAO would form "a government of national unity" which would lay the groundwork for a gradual democratization of Nicaragua.

The leaders of the (ruling) Nationalist Liberal Party [PLN] claim that this formula is "absurd." They also describe as a "violation of human rights" the request that Somoza and his family leave the country if he loses.

The government suggests the calling of a constituent assembly if the plebiscite is unfavorable for Somoza. In turn, this sort of "second round" is described as "absurd" by the opposition.

The mediation commission sent by the OAS proposed, for its part, that a tripartite government be formed--involving Somozists, opponents and independents--following the plebiscite and regardless of its outcome.

The FAO rejects this formula and roundly states that it will refuse to participate in any government with the man who, they feel, is "the rotten apple and the factor preventing Nicaragua and Nicaraguans from continuing to develop in peace."

All observers of the negotiation, and even the negotiators themselves, are skeptical about any agreement regarding the consequences of the plebiscite. A formal announcement about the breakdown of the talks is taken here as quite possible.

It is noted, besides, that the criticism against the FAO from the Group of 12, the Popular Social Christian Party, the United Peoples Movement [MPU] (pro-Sandinist) and the Independent Liberal Party for alleged excessive concessions to Somoza have contributed to a deterioration in the FAO's internal relations. The unrest within the FAO undoubtedly has resulted in the stalemate in the talks with the government, which have been held at the Guatemalan and Dominican embassies in this capital.

FAO leaders today answered the criticism of those groups by saying that many of them accepted the international mediation at the beginning. This was a reference to Sergio Ramirez Mercado, of the Group of 12, who after 2 months in refuge at the Mexican Embassy yesterday criticized the negotiations of the moderate opposition with the international mediators and the government. Ramirez Mercado was a member of the FAO until he sought asylum at the Mexican Embassy.

Alfonso Calero Portocarrero, another FAO member, today reminded his critics that the recent lifting of the state of siege and the granting of the amnesty last week are achievements of the mediation. "With a dictatorship like Somoza's, one cannot obtain full enforcement of the law and we have appointed commissions in order to achieve this to the maximum degree," Calero added in answer to those who point out that the state of siege "in fact" remains and that amnesty has not been total.

The FAO insists that it has not backtracked from its original position but it continues to be under heavy attack for alleged concessions.

Meanwhile, the MPU is promoting the formation of a "national patriotic front" to overthrow Somoza. Even the FAO has been called to join this front, with the recommendation that it abandon the direct talks with the government.

Foreign Minister Comments

PA200338Y Managua Estacion X in Spanish 0010 GMT 20 Dec 78 PA

[Text] They want everything without giving anything in return, said Julio C. Quintana, foreign minister and member of the political commission of the Nationalist Liberal Party [PLN] negotiating with the Broad Opposition Front [FAO], yesterday. The foreign minister was referring to the FAO political commission comprised of Alfonso Robelo Callejas, Rafael Cordova Rivas and Luis Sanchez Sanchez. The commission adopted the position of not participating in any national government if Somoza won the plebiscite proposed by the international mediation commission and accepted in principle by the government and the opposition.

Quintana made the statement yesterday as he emerged from the meeting. The talks reached an impasse when the liberals pressured the opposition to accept the formation of a national government with Somoza if he wins the plebiscite. The statement was made to Leonardo Lacayo Ocampo, a correspondent of one of the international press agencies in Managua.

OPPOSITION DENOUNCES GOVERNMENT INTRANSIGENCE IN TALKS

PA200236Y Panama City ACAN in Spanish 2353 GMT 19 Dec 78 PA

[By Eduardo Romero]

[Excerpts] Managua, 19 Dec (ACAN-EFE)--The Nicaraguan opposition today charged that the government's intransigence has paralyzed the negotiations in search of a peaceful solution to Nicaragua's serious crisis.

The charge was made by leaders of the Broad Opposition Front (FAO) at the end of a new meeting with leaders of the ruling Liberal Party and the international mediators.

The opposition newspaper LA PRENSA this afternoon spoke of "Somozist sabotage" and, quoting FAO leader Alfonso Robelo, added that "so far the talks have been a complete failure because the Liberals maintain an attitude of sabotage so that nothing will be achieved."

At the end of today's meeting, each side met separately to discuss positions and strategies for the next few hours. The representatives of the government in the negotiation have convened a news conference tonight to explain the government proposals.

Foreign Minister Julio Quintana, Managua Mayor Orlando Montenegro Medrano and Senator Alceo Tablada Solis comprise the government's negotiating commission.

An FAO statement issued to newsmen this afternoon insists that the opposition coalition has not altered its original demands for the eradication of the Somozist dictatorship. According to the FAO, the mechanism of the plebiscite has been conceived so that Somoza will abandon the presidency and so that the opposition will execute its program to democratize the country.

The opposition has also rejected the mediators' proposal of a dual government if Somoza wins the popular consultation.

FAO spokesman Jaime Chamorro Cardenal said that "the Nicaraguan people should be fully aware that if the unwavering conditions of the resignation and departure of Somoza and his family and the transitory government that the opposition demands are not met, no agreement with Liberalism will be possible." The political leader said the FAO is participating in these negotiations because it sees no other civic means to solve the country's grave crisis. He recognized that Somoza is weak as far as civic [words indistinct] but strong as far as wanting to seize power from him with arms.

He said that if the opposition, organized to obtain a peaceful solution, were to achieve its demands, even the radical opposition which today criticizes it would recognize its merits.

Meanwhile, the General Workers Confederation (CGT, independent) issued a vote of confidence in the FAO for its mission of finding a peaceful solution to the country's crisis. However, the CGT warned that it would reject any solution outside the original guidelines that led to the acceptance of talks with the Liberals.

OFFICIAL PARTY SAYS FAO HAS NO POPULAR SUPPORT

PA200333Y Panama City ACAN in Spanish 0256 GMT 20 Dec 78 PA

[Text] Managua, 19 Dec (ACAN-EFE)--President Anastasio Somoza's negotiators tonight claimed that the Broad Opposition Front [FAO] does not represent the general public. This surprising statement from the government party's delegates to the talks with the opposition came a few hours after the FAO political commission accused the pro-Somoza sector of using sabotage to bring the negotiations to a standstill.

Julio C. Quintana, speaking on behalf of the other delegates of the official party, said that they had committed a mistake by believing that the FAO had popular support. We were mistaken, he said. We believe that the FAO has lost supporters and organizations due to recent events and that it is now a phantom organization.

Although they pointed out that the FAO has no popular support, Somoza's delegates said that the talks have not been broken off because another round of negotiations is scheduled for tomorrow, Wednesday, and that the OAS "international mission of friendly cooperation and conciliatory efforts" is slated to attend.

Speaking at a press conference held at the old military club, the delegates of the Nationalist Liberal Party [PLN] accused the FAO of failing to keep its commitment of not revealing details of the negotiating process until final results of the talks were reached. This afternoon the FAO issued a communique charging that the talks were on the brink of failure due to the intransigence and sabotage of Somozism. The FAO also said that it has continued to maintain its position that a basic condition for any peaceful solution is the eradication of the dictatorship.

Quintana, the PLN delegates' spokesman (and foreign minister of Nicaragua), revealed that in the talks the PLN had asked the FAO to accept the Sandinist National Liberation, Front in the negotiations. The opposition sector had enthusiastically accepted this but did not disclose it.

On the other hand, the government delegates reiterated that they will not accept the FAO demand that Gen Anastasio Somoza, his brother Jose R. Somoza and his son Anastasio Somoza Portocarrero leave the country before the plebiscite is held. Quintana curtly said: Expatriation is a dishonorable punishment for a Nicaraguan that we will never tolerate and that the civilized world will not welcome.

At the press conference the negotiators said that President Somoza's government insists that if the plebiscite planned for February is favorable to General Somoza, the FAO should commit itself to forming part of a "national unity government." The FAO has rejected this.

GROUP OF 12 HOLDS NEWS CONFERENCE, DENOUNCES U.S. MANEUVERS

PA182158Y Panama City ACAN in Spanish 2010 GMT 18 Dec 78 PA

[By Filadelfo Martinez]

[Text] Managua, 18 Dec (ACAN-EFE)--The Group of 12 today demanded that the U.S. Government end all its international maneuvers to neutralize Nicaraguans who are struggling against President Anastasio Somoza's regime.

In a news conference at the "newsmen's house," 7 of the 12 opponents of the Nicaraguan regime charged that the U.S. Government is pressuring Latin American governments. The group, which on Sunday left the Mexican Embassy where it had taken refuge since October, explained that the U.S. pressure is aimed at neutralizing the solidarity that many peoples are giving to the struggle for the liberation of the fatherland. They stressed that the Nicaraguans only want the U.S. Government to cut off all the aid that it is still criminally giving Somoza. They said that they clearly reject international mediation in Nicaragua because it is a U.S. maneuver to neutralize any possibility of a deep and real change in Nicaragua.

The international mediation commission has proposed a plebiscite in Nicaragua to decide whether or not Gen Anastasio Somoza would stay in power as the only peaceful solution to this country's political crisis. Both the government and the opposition accepted the plan for the plebiscite but with conditions and differing views.

With the presence of the international mediators, the representatives of the ruling Nationalist Liberal Party (PLN) and the Broad Opposition Front (FAO) met again today to continue negotiations at the Dominican Embassy in Managua.

The negotiations are being held amid strict military security. They are aimed at establishing the conditions in which a plebiscite would be held.

Nevertheless, "the 12" predicted that the Nicaraguan people will not participate in any plebiscite because in order to hold this type of popular consultation there must first be credibility in the government, and that does not exist. They added that whatever the result of the plebiscite, it would always tend to perpetuate the Somozist system because, even with an eventual resignation of Somoza as president, the same corrupt structures of power would continue managing repression and corruption.

"The 12" proposed forming a great patriotic front of struggle against Somozism. They said they will begin to immediately work for this. The United People's Movement (MPU), which is a political alliance of revolutionary and union organizations in the country, is already part of that movement. They also explained that the front should include representatives of all the country's democratic and nationalist organizations so that, by rejecting all interventionist maneuvers and under a common program of revindications, it will obtain an effective unity. They said that the FAO is about to dissolve and, because of this, they issued a call to all honest organizations of that coalition to join the patriotic front.

After stressing that history judges actions and not good intentions, "the 12" said that the Independent Liberal Party (PLI), the Popular Social Christian Party and the Union of Nicaraguan Workers should join the Nicaraguan patriotic front which they are trying to organize.

NATIONAL GUARD COMMUNIQUE ON DEATH OF SUBVERSIVE IN MANAGUA

PA2003l4Y Managua Domestic Service in Spanish 2355 GMT 19 Dec 78 PA

[Communique No 82 issued by Legal and Public Relations Office of Nicaraguan National Guard; date not given]

[Text] The Legal and Public Relations Office of the Nicaraguan National Guard informs the citizenry that when Managua police authorities found out that armed individuals were occupying house No 26 located in the suburb of San Martin behind Las Managuas hardware store, they proceeded to search the house in question on Sunday morning, 17 December 1978. The terrorists inside fled.

The authorities found the following arms and ammunitions in the house: 1 .30-caliber Browning machinegun; 1 .223 Colt rifle No 87710AR5; 250 .223-caliber cartridges; 30 grenades for FAL automatic rifles; and 2 bags containing chemical products to make bombs.

The police then placed the house under surveillance. Two elements arrived in a white Volkswagen van at 1630 the same day, 17 December. One of the individuals tried to go inside the house, and when the patrol asked him for his identification, he made a suspicious movement as if he was going to draw a weapon. The patrol fired, killing him instantly. The other element fled in the van.

The element who was killed was identified as Armando Jose Talavera Salinas, a resident of the city of Rivas who has an extensive record of subversion and who studied in Chile in 1972 during the communist government of Salvador Allende. He went to Cuba in September 1973 after Allende's downfall. In Cuba he received training in subversive activities. He went to Mexico in 1976, where he worked in the solidarity committee.

In July 1977 he participated in the hunger strike at the UN offices in support of Tomas Borge and Mario Jaens Serrano. He entered the country clandestinely in 1978.

[Signed] Col Aquiles Aranda Escobar, G.N., chief of the Legal and Public Relations Office of the Nicaraguan National Guard

NINE SANDINISTS REPORTED KILLED IN CLASH NEAR LOS MOJONES

PA191801Y Managua Domestic Service in Spanish 1255 GMT 19 Dec 78 PA

[Communique No 83 issued by the Legal and Public Relations Office of the Nicaraguan National Guard; date not given--read by announcer]

[Text] The Legal and Public Relations Office of the Nicaraguan National Guard [GN] informs the citizens that the patrols which are watching to keep mercenary terrorist groups belonging to the international brigades from invading our territory engaged in clashes at 1125 on 18 December in the areas of Cuatro Caminos and Las Mancuernas, near the town of Los Mojones, Rivas Department.

According to preliminary reports, nine invaders of a column advancing from Costa Rican territory were killed. The National Guard reported that a member of the patrol, Pvt Porfirio Reyes Gomez, GN, died while performing his duty. Three other enlisted men, who were wounded, were taken to the military hospital.

The patrols are continuing their mission of watching over and defending our territory along our border.

[Signed] Aquiles Aranda Escobar, (?by law) CN [expansion unknown], GN, chief of the Legal and Public Relations Office of the Nicaraguan National Guard

Further on Slain Sandinists

PA192031Y Managua Domestic Service in Spanish 1800 GMT 19 Dec 78 PA

[Text] Nine mercenaries, members of the international brigades based in Costa Rican territory, died yesterday in a confrontation with a National Guard border patrol which intercepted the terrorists as they were invading our territory.

The skirmish took place close to El Naranjo River in the area around Cuatro Caminos and Las Mancuernas, near the town of Los Mojones in Rivas Department. In the confrontation, Pvt Porfirio Gomez Reyes died in the course of duty and three other enlisted men were injured. They were taken to the military hospital.

The members of the group of terrorist mercenaries were carrying modern, sophisticated weapons such as FAL 7.62 rifles made in Belgium, which are sold only to legitimately constituted governments. Some of the governments which have FAL rifles in use are Panama and Venezuela. In addition, several rounds of ammunition for these weapons were found. The authorities found 45 magazines complete with FAL bullets, as well as cartridge belts, leather [word indistinct], a black beret, two New Testament Bibles and other personal articles. One of the eight almost-new FAL rifles which are now in the possession of the authorities was pearl-inlaid.

Nicaraguan soldiers who participated in the confrontation indicated that it took place at approximately 1125 yesterday. The area of the skirmish is located some 5 km from the sea and is a densely wooded area. It is very difficult to move around in that terrain.

One noteworthy matter is that among the effects of the terrorists were five tamales, apparently still edible, giving the impression that they had been prepared on the same day.

The National Guard patrol which wiped out the mercenary group that had invaded Nicaraguan territory continued to look for more terrorists yesterday since it is presumed that some of them returned to Costa Rican territory through the area known as El Conventillo.

Another indication that the members of the international brigades move freely through Costa Rican territory is the fact that several of those killed in the confrontation yesterday on the southern border were carrying malaria immunization cards issued in the town of La Cruz, located in our neighbor country to the south. It is almost certain that one of the dead terrorists is a Panamanian allegedly named Pedro Altamirano. Another card was issued in the name of Lorenzo Garcia Pena and another to Guillermo Bustos Guerrero. The cards carried recent dates.

The mountain hat used by the presumed Panamanian carried an inscription in pencil that was blurred but legible. It said: For Alfredo, with love, so that after waiting for you I can love you, Jessie. The same hat also carried an inscription in ink, which said: FSLN [Sandinist National Liberation Front], southern front, Benjamin Zeledon, 7 November 1978.

One of the FAL rifles carries the inscription: Augusto, FSLN, Tertiary.

Military forces have stated that these individuals were very likely the ones who burned the small headquarters at Los Mojones when the troops assigned there were absent because they had gone to receive their pay. Unlike their other comrades in adventure who disguise themselves in uniforms similar to that of the National Guard, these individuals were dressed in [word indistinct].

Among the effects of the terrorists, the authorities found--in addition to two New Testament Bibles--a memento of a deceased person which stated: memento of Otilia Vega Diaz, who died on 12 November 1978. The little book indicates that the death occurred in the city of Rivas.

All those killed in the confrontation with the National Guard were apparently very young. Among them, attention is drawn to one individual of approximately 18 or 20 years of age, white, handsome, with distinguished features. His entire appearance was that of a person of distinction.

BRIEFS

BUSINESS LOSSES--17 Dec (ACAN-EFE)--Two experts of the Central American Business Administration Institute (INCAE) have estimated that Nicaraguan business lost approximately $335.7 million during the September insurrection. The two experts, Francisco Mayorga and Alejandro Montiel, added that the losses continue because there is uncertainty regarding stabilization of the political situation. They said that the difficulty in obtaining dollars in Nicaragua has resulted in enormous foreign debts and the people's purchasing power is decreasing "alarmingly" while prices continue to rise. According to the opposition newspaper LA PRENSA, the government closed its books this year with a fiscal deficit amounting to $100 million and, to counteract this, has sent a bill to Congress for the issuance of emergency bonds for up to $70 million. [Panama City ACAN in Spanish 1410 GMT 16 Sep 78 PA]

JOINT STATEMENT ISSUED ON SADDAM HUSAYN'S VISIT

JN190914Y Baghdad INA in Arabic 0720 GMT 19 Dec 78 JN

[Text] Baghdad, 19 December--Iraq and Cuba have declared that the Camp David agreements constitute a conspiracy against the interests of the Arab nation, are aimed at enabling the Zionist entity to keep the occupied Arab area and deny the legitimate rights of the Palestinian Arab people.

A joint statement issued today on the occasion of the end of the official visit that Saddam Husayn, assistant secretary general of the Arab Socialist Ba'th Party and vice chairman of the Revolutionary Command Council [RCC], paid to Cuba says that the two sides denounced the capitulatory plots being implemented by the Egyptian regime with the aim of dividing Arab ranks and inflicting serious harm on the Arab nation's struggle to liberate the occupied areas.

The Cuban side highly lauded the determination of the Iraqi and Syrian leaderships to pool their resources and capabilities to confront the designs concocted against the Arab area. The following is the text of the joint statement:

Comrade Saddam Husayn, assistant secretary general of the Arab Socialist Ba'th Party and vice chairman of the RCC, paid an official and friendly visit to Cuba 13-17 December 1978 in response to an invitation from Comrade Fidel Castro, commander in chief of the Cuban Armed Forces, first secretary of the Central Committee of the Cuban Communist Party, and president of the Councils of State and Ministers.

The delegation accompanying Saddam Husayn included 'Izzat Ibrahim, member of the regional command of the Arab Socialist Ba'th Party, member of the RCC and minister of the interior; Tariq 'Aziz, member of the regional command of the Arab Socialist Ba'th Party and member of the RCC; 'Adnan Husayn, member of the regional command of the Arab Socialist Ba'th Party, member of the RCC and minister of planning; 'Abdallah Fadil, member of the regional command of the Arab Socialist Ba'th Party and member of the RCC; Burhan ad-Din 'Abd ar-Rahman, member of the regional command of the Arab Socialist Ba'th Party and member of the RCC; Dr Sa'dun Hammadi, foreign minister; and Anwar Sabri 'Abd ar-Razzaq, Iraqi ambassador to Cuba.

The Cuban side included Comrades Gen Raul Castro, second secretary of the Central Committee of the Cuban Communist Party and first vice president of the Councils of State and Ministers; Ramiro Valdes, president of the Councils of State and Ministers; Ramiro Valdes, member of the Politburo of the Cuban Communist Party and vice president of the Councils of State and Ministers; Carlos Rafael Rodriguez, member of the Politburo of the Cuban Communist Party and vice president of the Councils of State and Ministers; Sergio del Valle, member of the Politburo of the Cuban Communist Party, member of the Council of State and interior minister; Antonio Perez, member of the secretariat of the Cuban Communist Party; Raul Valdes Vivo, member of the Secretariat of the Cuban Communist Party; Isidoro Malmierca, member of the Central Committee of the Cuban Communist Party and minister of foreign relations; Levi Farah, president of the State Committee for Construction; Jose Lopez, minister of construction; and Juan Carretero, Cuban ambassador to the Republic of Iraq.

Comrade Saddam Husayn and the Iraqi delegation were accorded a warm and enthusiastic welcome, expressing the friendship of the Cuban people and profound respect for the Iraqi people and their leaders. Comrade Saddam Husayn conveyed the greetings and wishes of Comrade Ahmad Hasan al-Bakr, president of the Iraqi Republic, to Comrade Fidel Castro.

The revolutionary Government of Cuba granted Comrade Saddam Husayn the national medal of Jose Marti out of profound recognition by the Cuban people of his constant contribution to the national liberation struggle of peoples and for his prominent role in consolidating relations between the Iraqi and Cuban peoples.

In an atmosphere of friendship and mutual understanding the two sides discussed the development of relations of friendship and cooperationg between the two countries in the political, economic, scientific, technical and cultural fields.

The Cuban side highly praised the achievements of the Iraqi people under the leadership of the Arab Socialist Ba'th Party in its endeavors to effect social and economic transformation, to build an independent national economy, and to control Iraq's natural resources in accordance with the resolutions of the eighth congress of the Arab Socialist Ba'th Party. The Cuban side expressed its conviction that the Iraqi people will achieve new successes in achieving the goals included in the economic, political and cultural development programs.

The Iraqi side expressed its appreciation of the achievements accomplished by the Cuban people in the political, economic, social, and technical fields in accordance with the resolutions of the first congress of the Cuban Communist Party under the leadership of the Cuban Communist Party against imperialist aggression. The Iraqi side condemns the illegitimate quarantine imposed by U.S. imperialism in an attempt to harm the Cuban revolution. The Iraqi side furthermore supports the struggle of the Cuban people to lift this quarantine immediately and unconditionally as well as regain the naval base in Guantanamo, which was occupied by U.S. Armed Forces in an illegitimate manner.

During their talks, the two sides showed special interest in the current situation in the Arab area. They reviewed in detail the Zionist and imperialist attempts to prevent the Arab national struggle from regaining the land of Palestine and the rest of the occupied Arab areas and guaranteeing the national rights of the Palestinian Arab peoples. In this connection, the two sides strongly condemn the Camp David agreements concluded between the Zionist entity and the Egyptian regime, in which the United States effectively participated. These agreements in fact constitute a plot against the interests of the Arab nation and are aimed at enabling the Zionist entity to keep the occupied Arab areas and to prevent the Palestinian Arab people from regaining their legitimate rights. Consequently, Iraq and Cuba condemn the capitulatory measures of the Egyptian leadership, whose aim is to split the Arab ranks and to inflict serious damage on the Arab nation's struggle to liberate the occupied areas.

Comrade Saddam Husayn reviewed the steps taken by Iraq and its constant efforts to strengthen Iraqi-Syrian relations as well as the eagerness of the leadership in the two fraternal countries to continue on the path of unionist cooperation in accordance with the joint national action charter signed in early November 1978, since the charter constitutes a decisive reply to the capitulatory designs of As-Sadat's regime and is a historic step on the path to Arab unity.

The Cuban side expressed its high appreciation of the determination of Iraqi and Syrian leaderships to unify their efforts in confronting these designs concocted against the Arab area. The Cuban side also lauded Iraq's initiative and efforts to convene the ninth Arab summit conference in Baghdad in order to unify Arab ranks and foil Zionist-imperialist designs and the policy of the capitulatory settlement.

The two sides expressed their conviction that a just and durable peace cannot be achieved in the Arab area except through the liberation of all Palestinian lands and the rest of the occupied Arab areas and the regaining by the Palestinian Arab people of their national basic rights, including their right to self-determination and return home, and the establishment of their independent state in Palestine. The express support for the struggle of the PLO--the sole legitimate representative of the Palestinian people.

Discussing the international situation, the two sides pointed out that imperialism is continuing its efforts to prevent the victory of causes hostile to imperialism and neo-imperialism in the world and to obstruct the consolidation of world peace and international security.

In order to achieve this objective imperialism is working to rally the reactionary forces into an alliance against the just demands of all peoples. The two sides expressed their support for the process of detente, which is based on the policy of equality and peaceful coexistence among states with different social systems. They affirmed the need to work for the consolidation of a just world peace. The two sides affirmed that the unity and solidarity of the socialist group and all the progressive forces in the world are important factors in the struggle against imperialism, Zionism and racism for the sake of fully eliminating exploitation and injustice from the world.

The two sides reaffirmed their adherence to the nonalined movement and the determination of their governments to firmly cooperate in order to safeguard the unity and principles of the nonalined movement and the criteria for membership in the movement.

Iraq and Cuba expressed their firm belief in the possibility of taking action to help solve the problems faced by the international community and their belief in the important contribution toward bolstering world peace and the progress of mankind toward general disarmament, including nuclear disarmament, and the establishment of a fair international economic order. The two sides emphasized the importance of the nonalined movement in strengthening solidarity and cooperation among the nonalined states in their common struggle against imperialism, colonialism, racism and Zionism.

The two sides stressed the importance of the extraordinary meeting of the nonalined coordination bureau, which will be held early in 1979 in Maputo, the capital of Mozambique, in view of the support it will give to national liberation movements and the frontline African states in their struggle to get rid of the racist regimes in Namibia, Zimbabwe and South Africa.

Iraq and Cuba expressed confidence that the Maputo meeting which will be held prior to the sixth nonalined summit conference, will reaffirm the principles of the movement and strengthen unity and harmony among the nonalined states. The two sides also expressed the conviction that the sixth nonalined summit conference, which will be held in Havana, will be a significant turning point in the history of the movement and will greatly contribute to their unity and common action in the struggle against imperialism, neocolonialism, racism and Zionism.

Iraq highly commended the preparations being made in Cuba for the summit conference in Havana and expressed its readiness to cooperate with Cuba and the other member states to make the conference a success.

The Cuban side again expressed its support for the proposal to hold the seventh nonalined summit conference in Baghdad and Cuba's high appreciation of Iraq's willingness to host the conference in Baghdad.

The two sides noted with satisfaction the progress achieved by national liberation movements in their struggle against imperialism, exploitation and racism in Africa. They expressed their support for the national front in Zimbabwe, the South-West Africa People's Organization in Namibia, and the African National Congress in South Africa in their struggle for freedom and independence. The two sides also condemned the attempts of the South African regime and the collusion of imperialism with it to maintain imperialist interests in Namibia.

The two sides stressed their full solidarity with the frontline states and their denunciation of the pressure being put on these states because of their staunch support for the liberation movement in Africa.

The Iraq side expressed its appreciation of the Cuban people's participation in the struggle of the African National Liberation movements in southern Africa against imperialism and racism. The two sides support the people and government of the DPRK in their just struggle to reunify Korea without any outside intervention.

In reviewing the situation in Latin America the two sides referred to the important progress made in political and social struggle. The two sides believe that the Latin American peoples' struggle against the intervention of imperialism and its local allies is an indication of this important progress.

Iraq and Cuba condemn the U.S. imperialist policy of interfering in Latin America to encourage and support hostile reactionary regimes. They also strongly condemn the policy of the fascist military clique in Chile and express their firm solidarity with the Chilean people. Iraq and Cuba emphasize the importance of the draft resolutions concerning the question of Puerto Rico that were adopted by the UN committee on colonialism during the current session of the UN General Assembly.

The two sides expressed their satisfaction with the results of the visit by Comrade Saddam Husayn. They noted that the visit has strengthened revolutionary friendship and cooperation between Iraq and Cuba and is considered a significant point in the development of cordial relations between the two peoples. The two sides express their desire to continue to develop the ties of friendship and cooperation between them in various fields. Comrade Saddam Husayn expressed his appreciation and thanks to Comrade Fidel Castro, the Central Committee of the Cuban Communist Party and the Cuban Government for the warm reception and hospitality accorded him and accompanying officials at official and public levels during their visit to friendly Cuba.

COMMENT MADE ON OPEC PRICE BOOST

FL192008Y Havana Domestic Television Service in Spanish 0100 GMT 19 Dec 78 FL

[Jose Bodes Gomez commentary]

[Excerpts] The economic world today is focusing its attention on the repercussion from the oil price hike decided on last weekend by the 13 members of the Organization of Petroleum Exporting Countries (OPEC) which were meeting in the capital of the United Arab Emirates.

OPEC's decision was expected by all economic circles. The only thing that was still under discussion to the end was the amount of the price increase. According to news reports, Saudi Arabia, the world's biggest oil producer, did everything possible to limit the hike to 5 percent. It is even speculated now that the Saudi Arabian Government possibly will not go along with the other OPEC members in the price hikes scheduled for April, July and October 1979.

Everything indicates that the unstable situation being experienced by the Government of Iran, the second largest oil exporter, seriously influenced the final agreement reached in Abu Dhabi. Iranian oil production has decreased considerably as a result of the political crisis of the regime of Shah Reza Pahlavi. From its daily average of 6 million barrels, Iran barely produced 1.5 million barrels during the recent general strike.

For their part, the transnational companies prepared themselves--as they usually do--to obtain the biggest profit from the new oil price. According to the capitalist press itself, in the past few weeks the oil corporations bought volumes of oil exceeding their marketing capabilities for the purpose of accumulating a supply of oil which they can now sell at the new price, thereby enlarging their profits.

The U.S. Government position on the matter of oil prices is doubly awkward. On the one hand, as defender of the transnational companies, it must know that their profits are assured. On the other hand, the U.S. Government cannot remain indifferent to the prospect that a higher price for imported oil also means higher inflation and, therefore, new economic complications for President Carter.

As a result of this ambigious position in which the U.S. Government finds itself, it is logical that the U.S. secretary of energy, when questioned by journalists in Washington, declared that the government expects that only the first price hike will become effective and that OPEC will abstain from going through with the other increases.

For his part, the Indian petroleum minister warned that the developing countries will be affected severely by the oil price hike. However, he recognized that OPEC has the right to make this type of decision.

Meanwhile, the dollar again dropped in the monetary markets today and its loss in value affects all countries that export raw materials, including the oil producers, which can see that the future price hike is reduced even before it goes into effect, as well as the countries that export coffee, sugar, copper, cotton and other products.

PLAN FOR NUCLEAR ENERGY DEVELOPMENT DISCUSSED

PA191805Y Havana International Service in Spanish 0000 GMT 19 Dec 78 PA

[Unattributed commentary]

[Text] Cuba has decided to build a modern nuclear center as the next step in development of the current nuclear research institute of the science academy, and for that purpose it has the experience acquired by our specialists in the installations donated by the Soviet Union to our country in 1969. This has a lot to do with the steps we are taking to develop our energy system through the use of nuclear energy and it shows that the use of atomic energy for peaceful purposes is, beyond the shadow of a doubt, a clear expression of the strength and vitality that our country's cooperation with other CEMA members has today.

Cooperation in this field is of special significance to Cuba because the scientific-technical and socioeconomic development that we have planned through the use of nuclear energy would not be possible without the effective cooperation of the CEMA countries. This has to be so because a developing country needs a relatively long time to master complex nuclear technology.

However, on the basis of the cooperation we receive from CEMA, Cuba has been able to set relatively ambitious goals. That is why the state has said that in the future the key source of electricity generation in the country will be nuclear and it will carry relatively considerable weight in our energy system by 1995.

That is why the Cuban Government pays special attention to the necessary studies, which will end soon, to determine the location of our first electro-nuclear power station in Jaragua, in the midsouthern part of the country, for which the planning and initial stages of active work will be performed in 1979. Various locations for a second electro-nuclear power station are also being analyzed already.

Of course, it is not possible to tackle this energy development if a solid scientific-technical foundation and cadres that insure it are not available. Therefore, the state decided to build a modern nuclear center that will have among its principal facilities a zero-power reactor, an experimental research reactor, a complex to produce radioisotopes and marked compounds [compuestos marcados], workshops to produce small lots of nuclear equipment and other facilities.

But the most important thing in all this is that even though Cuba is a developing country, it has been able to take these steps in nuclear matters because it chose the socialist route to develop its economy. Furthermore, Cuba has largely expanded its production of electrical energy and this year it will reach the record figure of 6,400 mw.

At the end of this 5-year plan in 1980, electrical energy in Cuba will have increased by 35 percent over the preceding 5-year plan through the work of new thermoelectric plants which will produce 900 mw. And that is not all. By 1985, Cuba will have increased electrical generation by 1,300 mw, that is, twice its current rate. [sentence as heard] To that end, contracts have been made with socialist countries for the necessary units and lines in which more than $1.23 billion will be invested, not to mention, of course, the two atomic electrical centrals we previously mentioned.

WPC, NONALINED COUNTRIES PREPARATORY MEETING ENDS

FL181426Y Havana Domestic Service in Spanish 1320 GMT 18 Dec 78 FL

[Text] The international preparatory work meeting for the nonalined countries movement and WPC [World Peace Council] seminar has concluded in Havana following a 3-day meeting. The national news agency adds that the seminar which has been called for by the WPC will be held in Jamaica in the first months of next year. Elena Gil, vice president of the WPC, made the closing remarks in which she called on the national peace committees to work in disseminating information on the seminar to be held in Jamaica and on the sixth nonalined countries summit.

The Vietnamese delegation to the meeting made a proposal which was approved, that the remarks made by Elena Gil in name of the international organization [WPC] become an official document of the meeting.

PINEIRO LOSADA MEETS WITH PERUVIAN SOCIALIST PARTY LEADER

FL161724Y Havana Domestic Service in Spanish 1700 GMT 16 Dec 78 FL

[Text] Manuel Pineiro Losada, member of the PCC Central Committee and chief of its America Department, has received Antonio Meza Cuadra, secretary general of the Peruvian Socialist Revolutionary Party. Armando Campos, deputy chief of the America Department, participated in the meeting. Matters of mutual interest regarding relations between the two parties were discussed at the fraternal meeting.

LIONEL SOTO ADDRESSES SOFIA INTERNATIONAL CONFERENCE

FL160059Y Havana Domestic Service in Spanish 0000 GMT 16 Dec 78 FL

[Text] Support for the achievements made by true socialism, proletarian internationalism and condemnation of the Maoist leadership continue being the basic topics at the international theoretical conference which is being held in Sofia, the capital of Bulgaria. Among the topics focused on by the speakers who spoke at the plenary session today was rejection of the anti-Soviet campaign carried out by imperialism and supported by the contemporary revisionists.

In examining the topic of international policies of the socialist countries and their role in consolidating peace and detente, communist and worker party representatives attending the conference condemned the divisionist and treacherous policies of the Chinese Communist Party against the countries of the socialist community. The delegates participating in the conference stated that the Chinese party, for a long time now, has entered into sharp contradictions with the ideas of Marxism-Leninism and the principles of proletarian internationalism.

The meeting in Sofia began on Tuesday with the attendance of delegates from 74 communist and worker parties from Europe, Africa, Asia and Latin America.

In his remarks, the Cuban representative Lionel Soto, member of the PCC Central Committee, pointed out the major role played by proletarian internationalism and world solidarity in sustaining the Cuban revolution. Lionel Soto criticized those from so-called neutral positions who refuse to condemn the Maoist leadership which betrays the revolutionary principles, and passing themselves off as Marxist-Leninists they attack the Soviet Union, Vietnam, Cuba and the entire socialist camp.

Others addressing the conference were the leaders of the communist parties of Paraguay, Costa Rica and Ecuador--Antonio Maidana, Eduardo [as heard] Mora Valverde and Jose Solis, and representatives of communist and worker parties of Venezuela, Argentina, Canada, Jordan, Colombia, Lebanon, France, the Congo and Israel.

ACTIVITIES OF USSR GEOLOGY MINISTER REPORTED

Received by Miret Prieto

FL161918Y Havana Domestic Service in Spanish 1902 GMT 16 Dec 78 FL

[Text] Pedro Miret Prieto, member of the PCC Politburo and the Council of State, this morning received USSR Geology Minister Yevgeniy Kozlovskiy and the officials who are accompanying him on his visit to Cuba. These officials include (Yuriy Bakenkov), deputy director of international relations of the USSR Geology Ministry; (Mikhail Mikhustin), director of foreign geological cooperation.

Mines and Geology Minister Manuel Cespedes Fernandez and Vice Minister Oscar Lopez Rivera attended the meeting for the Cuban side.

Matters regarding geological cooperation between Cuba and the Soviet Union and other topics of mutual interest were discussed during the cordial meeting.

Meeting in Varadero

FL181304Y Havana Domestic Service in Spanish 1200 GMT 18 Dec 78 FL

[Text] USSR Geology Minister Yevgeniy Koslovskiy and Cuban Minister of Mines and Geology Manuel Cespedes have met and discussed cooperation to be provided by the USSR in geological prospecting and the search for oil in Cuba during the 5-year period 1981-1985.

Attending the meeting held in Varadero were Julian Rizo, member of the PCC Central Committee and its first secretary in Matanzas Province, and geology technicians from the USSR and Cuba. Among the topics discussed were the study of work done in this field during the last 3 years and the measures to be adopted for the next 5 years.

Minister Koslovskiy and the delegation of geologists he heads have toured the deposits under exploration in Varadero, Camarioca and Cardenas.

Visitor Comments on Success

FL191340Y Havana Domestic Service in Spanish 1100 GMT 19 Dec 78 FL

[Text] Soviet Geology Minister Yevgeniy Koslovskiy stated at the end of his tour of Minas de Matahambre municipality [Pinar del Rio Province] and in particular his visit to the geology enterprise located in this zone of the province that the work carried out in Pinar del Rio can be labelled as successful because it strengthens the economic power of the country.

The USSR minister of this field was given a detailed briefing on the Pinar del Rio enterprise operation which looks after an area of 22,000 sq km, covering the provinces of Havana, Havana City, Pinar del Rio and the Isle of Youth special municipality.

[Havana Domestic Service in Spanish at 1200 GMT on 19 Dec carries a similar report adding that the geology enterprise is called the Western Geology Enterprise. (Acasio) Cuellar, director of the enterprise, briefed the visitor on the operations of the enterprise, adding that "it is the largest one in the country and its basic responsibilities are drilling, an activity directed at guaranteeing raw materials for industry, and promoting the future mining complex in this zone. To achieve this objective more than 1,200 workers are employed, of which 22 are foreign specialists."]

Cooperation Protocol Signed

FL192253Y Havana Domestic Service in Spanish 2230 GMT 19 Dec 78 FL

[Text] USSR Geology Minister Yevgeniy Koslovskiy and Cuban Geology Minister Manuel Cespedes have signed in our capital a cooperation protocol by virtue of existing agreements in that sector between the two countries. The signing took place at the conclusion of the visit to Cuba by the Soviet minister who headed a delegation that toured industrial works, oil fields, the Moa and Nicaro [nickel] plants and the [nickel] complex under construction at Punta Gorda.

During his stay in our country, Koslovskiy was interested in the work being done by Soviet geology advisors. He also examined the work done by the USSR over the past 3 years for the development of geological exploration and the search for petroleum in Cuba.

VIETNAMESE VICE PREMIER DO MUOI ARRIVES IN HAVANA

FL181356Y Havana Domestic Service in Spanish 1306 GMT 18 Dec 78 FL

[Juan Jose Fernandez report]

[Text] Do Muoi, candidate member of the Vietnamese Communist Party and vice premier of that fraternal country, has arrived in Havana at the head of a delegation to participate in an intergovernmental meeting in our capital. Div Gen Sergio del Valle; member of the PCC Politburo, Council of State and minister of the Interior, welcomed the distinguished visitor and his entourage at Jose Marti International Airport. The Vietnamese vice premier heads his country's delegation to the third Cuban-Vietnamese intergovernmental meeting on economic, scientific and technical cooperation, which will begin meeting on Wednesday at the Council of Ministers executive committee office.

Do Muoi will also attend the country's official festivities commemorating the 20th anniversary of the triumph of the revolution.

BRIEFS

CZECHOSLOVAKIA TO SUPPLY NICKEL PLANT--An important contract for the supply of equipment and materials for the Las Camariocas nickel plant has been signed between the foreign trade Enterprise ECIMETAL [Commercial Enterprise for the Metal and Metal-Mechanical Industries] and the Czechoslavak firm Skoda-Export. The contract covers the supply of a compressor station, the plant's pipeline system and coolers. The contract is part of CEMA long-term cooperation programs. [Havana Domestic Service in Spanish 0000 GMT 19 Dec 78 FL]

JAMAICA

ALMOST HALF OF EXPORT EARNINGS SERVICE FOREIGN DEBT

FL191450Y Kingston DAILY GLEANER in English 15 Dec 78 p 27 FL

[Text] Some 40 per cent of Jamaica's total export earnings for 1977 was channelled into servicing the nation's foreign debt. As a result, an integral element within government's strategy for economic recovery is a large-scale expansion of the nation's export earnings in order to "reduce the burden of imported energy and re-financing of debt."

This was disclosed by Industry Minister Hon R. Danny Williams in his address to delegates at the Inter-American Symposium on Financing and Credit in Foreign Trade, held recently in Miami, Florida.

The symposium, on December 5 and 6, was attended by ministers of trade and commerce, bankers and financers from the United States, Latin America and the Caribbean.

In a 40-minute address on the subject of "Financing Foreign Trade; Its Influence on Jamaican Economic Development," Mr Williams called attention to Jamaica's current economic difficulties. These, he said, were the result of a number of factors.

They included the fact that between 1972 and 1976 most of the jobs created were in government administration and infrastructual programmes, "rather than in the productive sector."

At the same time, he said, Western economics, with which Jamaican trade is heavily linked, and which had been experiencing high rates of industrial growth, suffered in the '70s a combination of recession, inflation and monetary instability unprecedented in the post-war period.

For Jamaica, these factors combined to bring about sharp drops in foreign investment, while some areas of heavy economic dependence, such as the bauxite industry, underwent a period of relatively slow growth.

"Jamaica then experienced a period of declining capital inflows and exploding import prices," Senator Williams said.

The senator said Jamaica had now "commenced its programme of economic recovery," with the main thrust being directed toward increasing earnings of foreign exchange from export of goods and services.

According to the minister, government's strategy includes plans aimed at containing the level of employment within public administration while increasing that of the productive sector, "whether they are publicly or privately owned."

In addition, emphasis is being placed, he said, on maximising the use of existing capacity within the local manufacturing sector, while attempts are being made concurrently to broaden the activities of the sector by attracting new sources of foreign investment.

The growth of the small business sector, he added, was also being encouraged by government.

The minister said that although the Jamaican Government had now taken the initiative towards re-establishing economic stability, success was still critically dependent on the capacity to import raw materials and capital goods necessary for the expansion of the nation's productive capability.

In conclusion, he acknowledged the assistance provided by nations such as the United States, Hungary, Venezuela and Trinidad and Tobago in the form of loans and lines of credit.